

Boesky Reportedly Allowed Taping

LATE NEWS Canada Records On Taxes Stolen

TORONTO (AP)—Government tax records on 16 million Canadians, virtually every taxpayer in the nation, were stolen, and the police said Tuesday they were questioning a government tax office employee.

The theft, on Oct. 30, was disclosed in Parliament on Monday. The records were returned about three hours after the disclosure. However, the theft raised fears that terrorists or criminals might have copied the data, which included detailed personal information.

INSIDE TODAY

GENERAL NEWS
■ Britain rejected Argentina's offer to end hostilities over the Falkland Islands. Page 3.

BUSINESS/FINANCE
■ The EC agreed to develop common standards and services for new-generation telecommunications systems. Page 9.



Bruce Springsteen, whose new five-record collection is reviewed by Mike Zwerin, along with the new six-record set by Frank Sinatra. Page 7.

By James Sterngold
New York Times Service

NEW YORK — In cooperating with a federal investigation of illegal insider trading on Wall Street, Ivan F. Boesky allowed his conversations with other senior investment industry figures to be electronically recorded for several weeks recently, according to several sources with knowledge of the inquiry.

It was announced Friday that Mr. Boesky, one of Wall Street's leading stock market speculators, had agreed to pay \$10 million in a fine and returned profits and to plead guilty to one criminal charge.

The sources, who spoke on condition that they not be identified, said that those conversations produced evidence involving some leading investment bankers, takeover stock speculators and lawyers in the financial world. Mr. Boesky's relationships with many of these people went back for years, and they were not aware their conversations were being tape-recorded, the sources said.

A widening of the insider trading scandal to include other investment industry figures could have broad repercussions. Several congressional leaders have said they were considering new hearings that could lead to tougher stock-trading legislation. Many of the corporate takeover stocks that have been in the news tumbled in price Monday as the rumor mill suddenly grew quiet.

Some Wall Street figures were served with federal subpoenas shortly after Mr. Boesky's involvement in the insider trading scandal was announced.

It was not clear whether the subpoenas were connected with the eavesdropping. Receipt of a subpoena does not in itself suggest wrongdoing. The SEC may simply be seeking information to further its investigation.

Among those reported served were several executives at Drexel Burnham Lambert Inc., the Wall Street firm that has taken a leading role in the industry in the last five years on the strength of its powerful position in "junk bonds," high-yielding, low-quality bonds generally used in corporate takeovers.

The Drexel executive who created this business and still runs it, Michael Milken, also was served



Ivan F. Boesky

Anyone who spoke to Boesky in recent months must wonder how it would sound replayed in court.

with a subpoena, as were Martin A. Siegel and Leon Black, two senior executives in Drexel's mergers department, according to the sources.

Drexel issued a statement Monday confirming that it received an SEC subpoena and that several individuals were served. The firm would not identify them.

"We will not condone or tolerate any activities which violate the integrity of the markets," Drexel said. "Therefore, we will continue to cooperate fully with the Securities and Exchange Commission and other regulatory agencies."

Several lawyers commented that anyone who has spoken with Mr. Boesky in the last few months has to wonder about what they discussed, and how it would sound if played back in a courtroom.

Privately, there was widespread speculation that Mr. Boesky had already provided substantial information to the investigators because the terms of his agreement were considerably more lenient than those of the other individuals who had admitted to charges.

In Washington, one source familiar with the case, who declined to be identified, said it was "not necessarily correct" to assume that Mr. Boesky's settlement occurred on Friday, when it was announced. He thus allowed for the possibility that Mr. Boesky settled privately some time before and had been collaborating with the government.

Although Mr. Boesky has to pay \$10 million, he is an enormously wealthy man from his activities as a takeover speculator and his fortune is believed to be much larger than that. On Monday his attorney, Harvey Pitt, said reports that Mr. Boesky's wealth topped \$200 million were "grossly exaggerated."

Mr. Boesky will plead guilty to just one criminal charge, the U.S. See BOESKY, Page 13

RELATED ARTICLES

■ The Dow Jones industrial average plunged 43.31 to 1,817.21, a drop attributed to jitters over the Boesky case. Page 8.

■ The London Stock Exchange will monitor future trading there by Mr. Boesky. Page 9.



President Kim Il Sung of North Korea, right, greeted the Mongolian leader, Jambyn Batmönkh, on Tuesday in Pyongyang, dispelling South Korean reports that Mr. Kim had been assassinated. The photo was distributed by the North Korean Central News Agency.

Kim Il Sung Appears in Pyongyang, But Confusion Persists Over His Status

By Clyde Haberman
New York Times Service

SEOUL — North Korea said that President Kim Il Sung greeted a visiting Mongolian delegation Tuesday morning in a report apparently intended to dispel rumors that Mr. Kim had been assassinated.

But confusion over the fate of the North Korean leader persisted amid reports in South Korea that General O Jin U, the defense minister, had seized power. On Monday, the South Korean government circulated reports that Mr. Kim, 74, had been assassinated or that a power struggle was under way in the Communist nation.

The North Korean press agency said that Mr. Kim had "warmly met" the Mongolian delegation at the airport in Pyongyang and then had joined his guests in reviewing a

military honor guard. Thousands of people were on hand, it said. Diplomats said that General O was not in the airport reception party.

United Press International reported that an Austrian trade representative who attended the airport ceremony said that he had seen Mr. Kim and that the North Korean leader had appeared healthy.

The North Korean press agency also released a photograph of Mr. Kim shaking hands with the Mongolian leader, Jambyn Batmönkh.

Earlier in Seoul, the government-run Korea Broadcasting Service, quoting South Korean Defense Ministry sources, said that North Korean loudspeakers at the border had announced that "full power" had been assumed by General O.

The account was especially confusing because it followed recent reports that General O was in a coma after a car accident.

The Austrian trade representative in North Korea, Wolfgang Entmayer, was quoted as saying of Mr. Kim: "I saw him with my own eyes, and he seemed to be in good health and smiling. He was walking on his own, and there was nothing unusual about it."

Mr. Entmayer said that a military band and honor guard had been present for the arrival of the Mongolian delegation, and that roads leading from the airport into the capital had been lined with "the usual crowds" waving flags and cheering.

"Nothing extraordinary has occurred here that I know of," he said. "There has been nothing unusual on television or radio."

South Korean government officials and foreign diplomats said that, given the customary lack of detailed information from the North, they had no firm conclusions about what was happening. Speculation centered on possible

See KIM, Page 2

Paris Death Claimed by Terrorists

Direct Action Says It Killed Head of Renault

By Axel Krause
International Herald Tribune

PARIS — Direct Action, a leftist French terrorist group, claimed responsibility Tuesday for the assassination of Georges Besse, chairman of Renault, France's state-owned automobile manufacturer.

Meanwhile, French police said that, according to witnesses, two women, about 25 to 30 years old, carried out the killing Monday.

Claims by Direct Action were made in a brief call to police investigators from an unidentified person and in pamphlets scattered at the Raspail subway station, near Mr. Besse's home on the city's Left Bank. The executive, 58, was hit by three bullets after he returned from work, the police said.

The pamphlets were signed "Action Direct, Commando Pierre Overney." The reference was to Pierre Overney, a leftist Renault worker who was killed by a company security guard during a 1972 demonstration near Paris.

The guard, Jean-Antoine Tramoni, was convicted and sentenced to four years in prison for the shooting. Mr. Tramoni was shot and killed by leftist extremists in 1977.

Police said that the claim for Mr. Besse's death appeared to be authentic and that they expected a detailed explanation, possibly within a few days.

But they declined to comment on the possibility of investigating links between Direct Action and the Red Army Faction, a West German urban terrorist group.

In 1985, the two groups pledged to work jointly against the North Atlantic Treaty Organization and other symbols of what their tracts described as "capitalist imperialism."

The Red Army Faction claimed responsibility for the slaying July 9 of Karl-Heinz Beckurts, director of research at Siemens AG, and the group has been linked to the killing Oct. 10 of Gerold von Braunmühl, director of the political section of the West German Foreign Ministry.

Mr. Besse's assassination was the first of a major public figure in France since the murder in January 1985 of General René Audran, who was responsible for international affairs in the Defense Ministry's arms-manufacturing agency. Di-

See BESSE, Page 2

Iran Crisis Takes a Heavy Toll

Affair Said to 'Totally Distract' Reagan Administration

By David Hoffman and Walter Pincus
Washington Post Service

WASHINGTON — President Ronald Reagan came under intensifying criticism Tuesday for his decision to send weapons to Iran, and White House officials said the Iran operation had seriously strained relations among Mr. Reagan's top advisers.

The Iran sale drew criticism Tuesday from former Presidents Gerald R. Ford and Jimmy Carter. A former White House political director, Edward Rollins, said there was a "siege mentality" at the White House.

Mr. Rollins said the affair reflected the "most serious crisis" at the White House since the bombing that killed 241 U.S. servicemen in Lebanon in 1983.

The White House, he said, "is totally distracted" by the Iran controversy, at a time when the president needs to focus on his budget and State of the Union decisions.

Meanwhile, the chief White House spokesman, Larry Speakes, said Tuesday that Mr. Reagan wanted his national security adviser to remain in his post. He also said the president was not annoyed at Secretary of State George P. Shultz for speaking his mind about the arms shipments to Iran.

Mr. Shultz disagreed with Mr. Reagan's decision to ship arms to Iran, and has engaged some White House aides with his public expressions of displeasure.

Vice Admiral John N. Poindexter, the president's assistant for national security affairs, has been widely reported to have coordinated the secret diplomatic contacts with Iran, which have brought sharp criticism from Capitol Hill and elsewhere.

Mr. Ford, asked whether Admiral Poindexter should have to pay for errors that may have been committed, said: "Anybody who makes a mistake in this very complicated world has to take whatever the responsibilities are, and that's a judgment that the president has to make."

In a joint appearance on a television interview program with Mr. Carter, Mr. Ford said, regarding the deal with Iran: "Who initiated this, who carried it out, I think, deserves some condemnation by certain people in the Congress, by people on the outside because it hasn't been, in my opinion, run as well as it ought to have been."

Mr. Carter said he was concerned that the American people, Congress, and "apparently even the chairman of the Joint Chiefs of Staff" were misled.

Mr. Carter said he believed that "a complete revelation of the entire Iranian caper" should be made to Congress, adding, "I think the White House looks worse in all the doubt and confusion and speculation than it would if it really told the truth."

Administration officials said Mr. Shultz was looking to a nationally

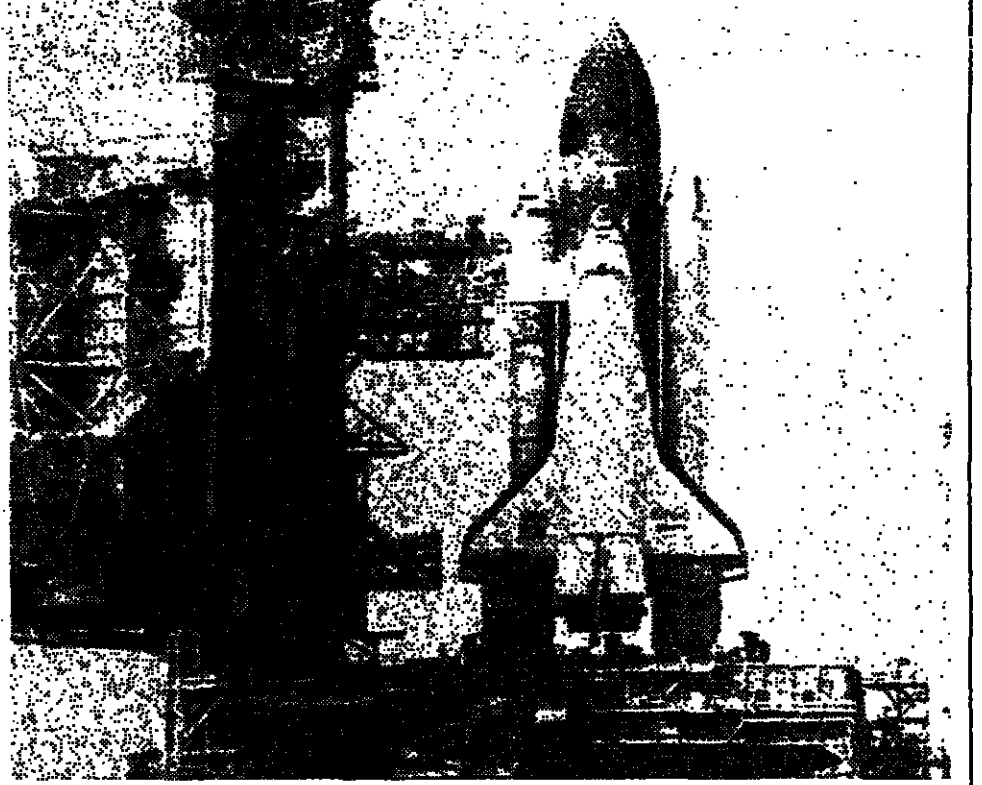
See IRAN, Page 2

See REAGAN, Page 2

See POLL, Page 2

See ANGOLA, Page 2

See MILITARY, Page 2



Computer Problem Delays Shuttle Test Countdown

The space shuttle Atlantis awaits a practice countdown in Cape Canaveral, Florida. Computer problems prevented completion Tuesday of the first launch pad test since the explosion of Challenger on Jan. 28, in which all seven crew members were killed. Three days of tests at the same launch pad are to include drills of procedures for evacuating a crew in the event of a crisis.

Angola Says Rebels Have Opened Front in North

By James Brooke
New York Times Service

LUANDA, Angola — U.S.-backed guerrillas have opened a new front in their 11-year war against Angola's Marxist government, Angolan military and foreign diplomatic sources have said here.

They said Monday that the broadened new fighting had erupted in the oil-producing northern region of this southern African nation.

"We feel that UNITA has tried to open a front in the north, supplied from Zaire," said Colonel Antonio dos Santos Franco, the army chief of staff, who is known as Colonel Ndalu.

In the first nine months of this year, 230 guerrillas of the National Union for the Total Independence of Angola, or UNITA, were killed in Uige and Zaire provinces, an area 800 miles (1,300 kilometers) from the group's traditional stronghold in Angola's southeast corner, according to the colonel.

The new fighting in the north comes as covert aid from the United States is believed to have started flowing to the rebels. The easiest supply route for the aid, estimated at \$15 million, would be through Zaire, which has close military ties to the United States, or through South Africa. UNITA's major sup-

plier, Kinshasa, the capital of Zaire, is about 180 miles north of the province of Uige.

Colonel Ndalu said the guerrillas in the north are supplied through Zaire, but said he did not know the origin of the supplies. Zairian officials have denied that Zaire is used to supply the rebels.

In response to the increased violence, Colonel Ndalu said that he had reinforced defenses in Cabinda, a province on Zaire's border, and in the town of Soyo. In Cabinda, multinational oil companies, including Chevron, Conoco, Texaco, Agip and Elf, pump virtually all of Angola's oil.

On Oct. 28, a bomb exploded in Cabinda's airport, wounding three persons, Colonel Ndalu said. In other incidents this year, guerrillas sabotaged the province's electrical power system and attacked the offices of the provincial government.

Cabinda is protected mainly by Cuban troops, part of the 30,000-member Cuban force in Angola. The Cubans came here in 1975 to help a Marxist guerrilla army retain power against attacks by UNITA and the South African Defense Forces.

"In March, April and May there was a tremendous effort to strengthen Soyo," said a Soviet dip-

lomat who visited the northern province earlier this year. "When I was there it was crawling with Russian advisers."

Guerrilla violence has also reached Malanje Province, about 200 miles south of the Zaire border. The provincial capital, Malanje, is

High-Tech Arms Plan Is Urged for Europe

By Joseph Fitchett
International Herald Tribune

PARIS — West European industrialists have called for a multinational military program to facilitate European cooperation in high-technology research for future weapons and battlefield-communication systems.

Pooling military research-and-development resources, they said, was critically needed to strengthen Western Europe's bargaining position with the United States in armaments cooperation and to match the Soviet Union's increasing sophistication in weapons.

"Europe deplorably missed a great opportunity when we omitted the military dimension from Eureka," according to Etienne Davignon, vice president of Societe Generale de Banque de Belgium and a former vice president of the European Community Commission.

The Eureka program was launched last year by 17 European nations to promote alliances among their companies on high-technology civilian projects. Since Ireland, Sweden, Switzerland and some other European countries are neutral, high-tech collaborative programs — not only Eureka but also comparable EC-sponsored programs — exclude direct military projects.

"We need to set up an advanced research agency for defense projects in Europe, for nations that want to take part," said Jean-Louis Gergorin, vice president for a corporate strategy at Matura, a French space and weapons group. Programs in military micro-electronics in France, Britain and West Germany, he said, were an example of wasteful duplication.

A common European program on key military technologies, he said, would be a major step toward closer military cooperation in Europe and help Europe match the research funds provided by the Department of Defense in the United States and mobilized by companies in Japan working on what he said were "normally civil technologies with clear military applications."

This initiative in the armaments sector, Mr. Gergorin said, would galvanize Europe's entire high-research community, more effectively than subsidies to stimulate civil programs along these lines. He cited the European Space Agency as a model of a super-national European endeavor in high technology.

A U.S. official, Dennis Klosek, special adviser on armaments in the Department of Defense, urged European industrialists to concentrate on military cooperation within the NATO alliance. Support for military spending, he said, would fall if public opinion got the impression that the United States and Europe were rivals, not partners.

Analyzing Europe's military See MILITARY, Page 2

Reagan Credibility Is Low in U.S. Poll

By David Lamb
Los Angeles Times Service

LOS ANGELES — Americans increasingly disbelieve what President Ronald Reagan tells them and reject his explanations of secret arms shipments to Iran, a poll by the Los Angeles Times has found.

Although Mr. Reagan's popularity remains high, with 58 percent of the respondents approving or "improving somewhat" of the way he is handling his office, Americans re-

putate his contention that he did not swap arms for hostages held in Lebanon, the poll found.

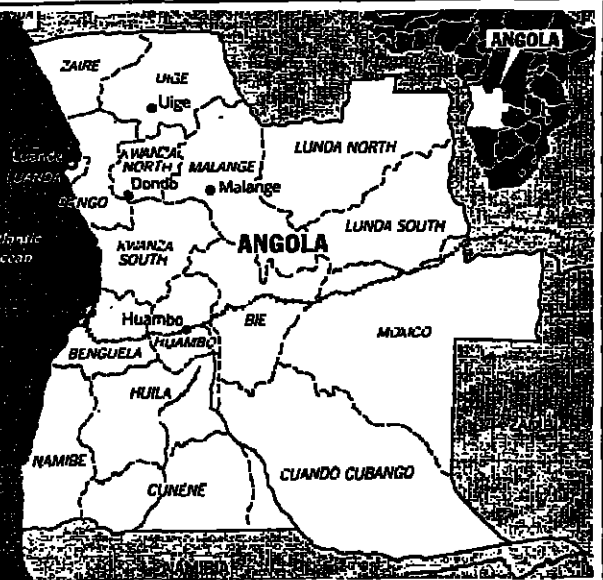
They also believe by a substantial margin that his dealings with Iran will lead to more terrorism against Americans abroad, according to the poll.

The survey, conducted over the weekend, also found that Americans overwhelmingly approve of an uncompromising stand against terrorists and think that the United

States should not compromise its foreign policy by paying ransom for American hostages. Their responses indicated that they think the administration is articulating one policy and following another.

Mr. Reagan went on national television Thursday to defend 18 months of secret U.S. diplomatic contacts with Iran. He confirmed that the United States had, secretly

See POLL, Page 2



The Washington Post

Palestinian Being Tried In Berlin Asserts Syria Plotted Bomb Attack

By James M. Markham
New York Times Service

BERLIN — A Palestinian defendant in a terrorist trial testified Tuesday that he had discussed heroin smuggling in Damascus earlier this year with a high-ranking Syrian intelligence officer who had been identified to him as Lieutenant Colonel Haimen Said.

Under questioning, the defendant, Farouk Salameh, also revealed that he had been whisked from the Damascus airport in an official car, received at what he told was a Syrian intelligence facility and treated in a military hospital when he fell ill.

Mr. Salameh and his co-defendant, Ahmed Nawaf Mansour Hasi, admitted Monday bombing the Arab-German Friendship Association in West Berlin on March 29, using an explosive device that Mr. Hasi had picked up at the Syrian Embassy in East Berlin, according to Mr. Hasi's pretrial testimony. The explosion badly wounded nine Arabs.

On the second day of the trial, Mr. Salameh admitted that he had been able to travel to Damascus in February even though 12 years ago he had been banned from Syria for drug dealing.

The Palestinian said his companion on the Damascus trip, Nezar Hindawi, had identified the Syrian as Haimen Said, or Abu Ahmed.

Mr. Hindawi, a Jordanian and brother of Mr. Hasi, was convicted



PHOTOGRAPHERS BARRED AT SANDOZ — Security personnel evicted a photographer on Tuesday at Sandoz AG, the Swiss chemical firm that accidentally polluted the Rhine River on Nov. 1. The company has banned photographers its factory at Schweizerhalle, near Basel, the site of a major ecological disaster. The photographer tried to take pictures of cleaning crews removing contaminated mud from the Rhine.

POLL: Americans Express Loss of Faith in President

(Continued from Page 1)

Only 14 percent of 1,464 adults polled throughout the United States by telephone Saturday and Sunday found Mr. Reagan's statement about hostages essentially true. Seventy-nine percent believed his explanation was only technically true or essentially false.

The respondents also rejected, by nearly three to one, the president's contention that the United States does not negotiate with terrorists. Only one in five persons accepted as true Mr. Reagan's assurances that the United States had not violated federal law by sending weapons to Iran.

Of those polled, 25 percent believed Mr. Reagan's statement that the reason for opening secret talks with Iran was to improve relations between Washington and Tehran. Fifty-six percent thought the administration's intention was to win the release of American hostages held in Lebanon. Seventeen percent said they were not sure what Washington's goal was.

The margin of error for a survey of this size is 3 percent in either direction.

Asked to judge the administration's overall credibility, 54 percent of the respondents said they believed what the White House told

KIM: Leader Appears

(Continued from Page 1)

facional strife within the military and even a possible coup by segments of the armed forces opposed to Mr. Kim's plan to transfer power to his son, Kim Jong Il.

"You can sit here and list alternative situations," a Western diplomat said, "but no single one is more logical than another. We have speculation, but no hard evidence that something is amiss up there."

Contributing to the uncertainty was the fact that reports that Mr. Kim had been shot and killed were based largely on South Korean accounts of loudspeaker announcements monitored along the Korean demilitarized zone.

In an apparent attempt to fend off possible doubts about their credibility, South Korean officials issued a transcript of excerpts from announcements said to have been broadcast from various sections of the demilitarized zone since Sunday afternoon.

According to the transcript, loudspeakers suggested that an unsettled political situation continued immediately before, and even after, Mr. Kim had laid to rest rumors of his death by appearing at the airport welcoming ceremony Tuesday morning.

At intervals on Sunday and Monday, the transcript said, speakers reported Kim Il Sung's death and Kim Jong Il's ascension as North Korea's leader. At times, the wording used was baroque, such as an announcement at 7:52 P.M. Sunday that "our leader Kim Il Sung flows in the river as a leaf."

At 6 A.M. Tuesday, according to the transcript, a loudspeaker announced that General O "has now gained power — the whole nation of North Korea positively supports him."

This was said to have been followed at 8 A.M. with a report of an unspecified army unit in which "a mutiny has taken place, resulting in the deaths of 29 persons."

At 8:45 A.M., a loudspeaker broadcast: "Do not be deceived by groundless rumors that our leader Kim Il Sung is dead." Then at 10:04 A.M., just before Mr. Kim greeted a visiting Mongolian delegation at the airport, somber music was said to have been played, followed by: "A big star of the nation has fallen. Let's glorify the great achievements made by him."

The transcripts were compiled by the South Korean Defense Ministry, but government public-information officials acknowledge that only portions were allowed to be released.

The incident created potential international embarrassment and domestic trouble for the South Korean government, since it was the prime source of most of the assassination reports. One well-placed source said that South Korean intelligence officers had information by Monday afternoon that Mr. Kim was alive but, for reasons that are not clear, they did not pass this along to the Defense Ministry.

WORLD BRIEFS

Afghan Resistance Said to Control City

NEW DELHI (UPI) — Moslem rebels have won control of most of Kandahar, Afghanistan's second-largest city, from Soviet and Afghan forces in battles that have left hundreds of people dead since last month, Western diplomats said Tuesday.

The diplomats, speaking in separate briefings on the condition they not be identified, said the rebels also gained control of the highway from Kandahar to the airport.

In London, Amnesty International said officials in Afghanistan routinely torture political prisoners and that victims say Soviet personnel are present for sessions of beatings and electric shocks. The human rights group said that many of those tortured were women. It charged that cruel punishments included leaving women prisoners locked up with corpses of other torture victims.

2 Killed as Strike in Haiti Continues

PORT-AU-PRINCE, Haiti (UPI) — Two persons were shot and killed in a confrontation between security forces and anti-government demonstrators in a slum near the capital, residents said Tuesday as a general strike entered its second day.

Several residents said a man and a boy were shot by soldiers on Monday after about 200 people began throwing stones. The bodies remained sprawled in the dust Tuesday at the slum, Cité Soleil. Radio stations had reported earlier that one person was killed and two or three wounded.

Political and labor groups called the strike to protest what they charged was government laxity in solving economic problems and in prosecuting former officials believed guilty of abuses under President Jean-Claude Duvalier, who fled to France on Feb. 7.

Ulster Militant to Be Tried in Dublin

DUBLIN (UPI) — Peter Robinson, a member of the British Parliament from Northern Ireland, was ordered Tuesday to stand trial Jan. 13 in the Irish Republic on charges of leading 300 militant Protestant Unionists in a cross-border invasion of a Roman Catholic village.

During a two-minute hearing, the Special Criminal Court in Dublin continued Mr. Robinson's trial at 10,000 Irish pounds (about \$14,000) and ordered his trial on 11 charges of leading Unionist militants across the border and injuring two policemen. Outside about 20 sympathizers of the outlawed Irish Republican Army jeered Mr. Robinson as he left the courthouse. The police made no arrests.

Mr. Robinson is the deputy leader of the Democratic Unionist Party in Northern Ireland, headed by the Reverend Ian Paisley. The Unionist militants took control of the tiny border village of Clontarf on Aug. 7 to demonstrate law border security between Northern Ireland and the Irish Republic. They left after the Irish police fired shots into the air. Mr. Robinson was arrested later in the nearby town of Monaghan.

Ex-Uganda Official Accused of Murder

KAMPALA, Uganda (AP) — Former Vice President Paulo Muwanga was charged Tuesday with kidnapping and murder in the disappearance of two Ugandans five years ago.

Mr. Muwanga, who served in the administration of Milton Obote that was overthrown in July 1985, pleaded not guilty after the charge was read in court by Chief Magistrate Aloysius Liiga. Mr. Muwanga and 17 co-defendants were brought to court for a preliminary appearance in a treason case. After the co-defendants were taken back to jail, the judge read the new charges against Mr. Muwanga.

Mr. Muwanga is the highest-ranking former official to be charged by President Yoweri Museveni's government, which came to power in January pledging to prosecute human rights abuses by officials of previous administrations.

Colombia Dismisses U.S. Allegation

WASHINGTON (AP) — The Colombian government said Tuesday it had no evidence that Patricia Lara, a journalist for El Tiempo, Colombia's largest newspaper, is a member of a terrorist group or an agent of the Cuban government, as a U.S. State Department official alleged Sunday.

Foreign Minister Julio Londono said in a television interview in Colombia that "we don't know where the U.S. government obtained such information about Miss Lara. She was barred from entering the United States last month without explanation."

Elliott Abrams, assistant secretary of state for inter-American affairs, said in a television interview Sunday that Miss Lara, 35, has been a member of some of the ruling committees, some of the administrative committees of the Colombian terrorist group M-19. He also said that she was an "active liaison" between M-19 and the Cuban secret police.

Correction

A headline Tuesday misreported an Argentine proposal involving the Falkland Islands. As the article made clear, Argentina offered to end hostilities with Britain if a military protection zone in the Falklands was lifted.

BESSE: Renault Killing Is Claimed

(Continued from Page 1)

rect Action said that it had killed the general.

Commenting on the accounts of witnesses to the Besse murder, police said that one of his neighbors said she had seen two women on the pavement outside his house.

One approached Mr. Besse and shot him twice. Police said the other, also carrying a pistol, approached the witness and said in flawless French: "Get lost, you haven't been a thing."

French political observers said that the assassination may have been directed at the company, noting the mention of Mr. Oremy and the fact that Direct Action has previously claimed credit for attacks against Renault.

Since Mr. Besse took over Renault in January 1985, the company announced plans for layoffs in an effort to reduce losses.

The company also was one of four whose buildings were damaged by simultaneous bombings in Paris in September 1985.

Direct Action said in a communiqué that those attacks were protests against "French supporters of apartheid" in South Africa.

However, no one could answer the question as to why, specifically, Mr. Besse was killed.

One consequence of the attack was tightened security and personal protection for senior executives of corporations and government ministries.

Mr. Besse had shunned a bodyguard or other personal protection on the ground that he was not a target of terrorists, a view shared by chairman of some other leading French companies.

"We were thinking of easing the tight security around our chairman," said the executive of a large state-owned company whose chief executive is heavily guarded and driven in an armoured-plated "immaculate" but since the tragedy of Monday evening that idea is gone, probably for good.

Direct Action: Claims of Terror

INTERNATIONAL HERALD TRIBUNE

PARIS — Direct Action's activities in France began in 1979, when the leftists with domestic objectives involving what it called the oppression of immigrants, the unemployed and people on the fringes of society.

While its methods were clearly terrorist — bombings of public buildings or strafing their facades with gunfire — it avoided causing injury.

But at the time of a split in 1982 into "domestic" and "international" factions, Direct Action's activities took a deadly turn. In three weeks a Paris court is to try a suspected Direct Action leader, Régis Schlicher, in the 1982 killings of two Paris policemen.

The group has been linked to other European terrorist groups, including the Prime 11 in Italy, the Fighting Communist Cells in Belgium and the Red Army Faction in West Germany, and to the Palestine Liberation Organization.

As many as a dozen attacks in France have been attributed to Direct Action this year. The major ones have included the following:

- In July, a bomb planted in a Paris police building set off a blast that killed a police officer.
- Bombs were set off Nov. 11 at three French companies to protest a visit by President P.W. Botha of South Africa and Nigeria to oppose the government expulsions of 191 Malians.
- In April, the director of Black and Decker France was killed outside his home in Paris.

Claim on Hostage Is Doubted

United Press International

BEIRUT — A caller claiming to represent the Moslem extremist Revolutionary Justice Organization said it would free a French diplomat held hostage in Lebanon for 20 months, but diplomatic and security sources said Tuesday that they doubted the authenticity of the claim.

More than 10 hours after the claim, there was no sign of the hostage, Maurice Carbon, 62, French Embassy protocol aide. He was abducted March 22 last year. Security sources involved with the release of two other French

Dining Out

PARIS 1st
CARR'S
When in Paris Dine in Carr's, French & Irish specialties. C. Sunday evening, Irish atmosphere and music. 18 rue Thiers. Tel. 42.96.04.29.

PARIS 11th
CONGRÈS RÉPUBLIQUE
15 Pl. de la République, T. 014277.86.88. Op. 24 hrs. Specialty in seafood & braised meats.

PARIS 14th
SHOGUN
"The biggest Japanese restaurant in Europe", facing the Eiffel tower. Open daily lunch & dinner. Private parking, Port Daubigny. Near St. Louis. Entrance quai facing 24 Av. de New York. Tel. 47.20.55.04.

PARIS 16th
ILE DE KASHMIR
Indian Restaurant "ON A HOUSEBOAT FACING THE EIFFEL TOWER". OPEN DAILY. MON. 8.15 PM. LUNCH DIFFERENT. EVERY DAY. F. 1.25. SE. INC. DINNER A LA CARTE. RESERVE F. 2.00. SE. INC. QUAI DAUBIGNY. FACE 24 AV. NEW YORK. 47.23.77.78

PARIS 17th
CONGRÈS MAILLOT
80 Av. de la Grande-Armée. T. (01) 4574.17.24. Op. 24 hrs. Specialty in seafood & braised meats.

PARIS 18th
LA CALAVADOS
40 Av. Pierre-1^{er}-de-Serbie. (1) 47.20.31.39. Open daily. At the piano Joe Turner. Traditional Cuisine.

PARIS 2nd
KITTY O'SHEA'S
Irish Pub. Sister of famous Dublin Pub. Coddie, Guinness, superb Irish lunches. Live folk music. 10 Rue des Capucines. Tel. 1.40.15.08.08. (50 yds. from Pl. Vendôme).

PARIS 3rd
LES URSINS DANS LE CAVIAR
3, Rue de la Colombe (4e). Tel. 43.29.54.20.

PARIS 5th
PARSHI
Authentic specialties, Indian, Nepalese dishes. Daily, 27 rue Barthelemy. 43.36.81.52.

PARIS 8th
LUDMILA PAVILION RUSSE
45, rue François 1^{er} corner 54, rue Pierre Chiron. Tel. 47.20.61.69. Diner, Suppers. Music and songs, Russian atmosphere. Fine food, cuisine, one star Gault-Millau 1986.

INTERNATIONAL BUSINESS OPPORTUNITIES

ComputerLand

World's largest franchisor of retail centres specialising in professional micro-computers, with over 800 centres open worldwide in 26 countries, is expanding in the following markets:

- GREAT BRITAIN
- FRANCE
- W. GERMANY
- SPAIN
- ITALY
- HOLLAND
- SWEDEN
- FINLAND

If you are interested in running your own business, together with the benefit of ComputerLand's experience and support, write or call: Franchise Development department, ComputerLand Europe, B.P. 2722, L-2632 Findel, Luxembourg, for attention of Mr P. Cottam. Tel. (352) 43.77.51. Telex 2423.

IRAN: Consistent Line Discerned Amid Contradictions

(Continued from Page 1)

tion overtures to Iran as "a positive step" that reflects a significant shift in U.S. policy.

Mr. Rajaei-Khorasani, who is regarded by Western experts as a savvy politician who speaks with a surprisingly independent voice, is far from home and has largely addressed a U.S. audience in his news conferences and appearances on American television.

Mr. Mousavi, who has never been outspoken on foreign policy, has run into significant opposition in parliament and only won a second term as prime minister after Ayatollah Khomeini personally intervened in his behalf. Facing severe economic problems because of the stalemate with Iraq, he may feel pressured to take a tough public line against the United States.

Despite a difference in emphasis, the sources said, remarks by Iranian officials form a fairly consistent list of demands for the United States to meet if it wants to improve relations with Iran. The demands, they noted, are reminiscent of those made in the period when 52 Americans were held hostage in the U.S. Embassy in Tehran.

They include the unfreezing of Iranian assets held by the United States and shipment of U.S.-made arms, spare parts and other equipment paid for and never delivered, a change in U.S. policy toward Israel, recognition of the rights of the Lebanese people and an apology for what Tehran says are past crimes against Iran.

On the same day, President Ali Khamenei of Iran called diplomatic contacts between U.S. and Iranian officials "mere lies." He labeled U.S. leaders "the real terrorists" for the bombing raid on Libya in the spring, "not those youths who take

REAGAN: Crisis at White House

(Continued from Page 1)

broadcast news conference on Wednesday night for public signals that the administration has called a halt to the Iran arms sales and that the secretary has been put back in charge of policymaking on Iran and terrorism.

Mr. Rollins said that Mr. Reagan's "great strength is the perception of integrity, that he is an honest and direct man who has restored trust in the presidency."

"When a large number of the American people begin to question the integrity of the president," he said, "you have a very serious situation. Whether there is a long-term

MILITARY: New Arms Approach

(Continued from Page 1)

problems, François Heisbourg, vice president of Thomson, a French electronics manufacturer, said that the Soviet Union was developing accurate short-range missiles capable of using chemical warheads and conventional explosives to knock out key installations.

European nations, he said, therefore must replace the U.S.-made Hawk missiles that have provided air defense since the 1950s. He added that the new armaments should be built mainly by European industry, with limited U.S. input.

France, Mr. Heisbourg said, was

ANGOLA: Northern Front

(Continued from Page 1)

floored it, but the three trucks behind me hit mines. Two of the drivers were killed."

Colonel Ndala said that "four to five battalions" of South African soldiers last week ended a month-long incursion from South-West Africa into the southern Angolan provinces of Cunene, Cuando Cuanhama and Namibe.

South Africa has repeatedly invaded southern Angola since Angola's independence in 1975, and the Angolan officer called such incursions "routine."

In this operation, he said, 11 Angolan soldiers were wounded and five guerrillas of the South-West Africa People's Organization, or SWAPO, were wounded. He added that several South African soldiers were wounded when three of their armored personnel carriers hit land mines.

On Friday, the South Africans said 39 guerrillas belonging to SWAPO were killed in a cross-border raid. The guerrilla organization seeks independence for South-West Africa, or Namibia, which is administered by South Africa.

SWAPO's leader, Sam Nujoma, dismissed these claims as "fantasies."

On Monday, a SWAPO spokesman said SWAPO fighters killed 18 South African soldiers, wounded "some others" and destroyed a base, Enham, which is 20 to 25 miles south of the Angolan border in South-West Africa.

CENSURE — Captain Alan West of the British Navy, a decorated hero of the Falklands War, was reprimanded by a court-martial Tuesday for losing secret documents that were published in the press.

effect I don't know. A lot depends on what he does tomorrow night."

At the White House, Mr. Speakes was asked whether Mr. Reagan wanted Admiral Poindexter to stay.

"Yes," Mr. Speakes replied. He gave the same terse reply when asked whether Admiral Poindexter would remain at his post.

Asked whether the president was annoyed with Mr. Schultz for being outspoken, Mr. Speakes said, "No, he's not."

Referring to a report suggesting that there would be a cabinet reshuffle, Mr. Speakes said, "I haven't heard anybody give him that advice and I haven't given it to him."

Asked directly whether Mr. Schultz would remain in the cabinet, Mr. Speakes said, "As far as I'm concerned, as far as the president's concerned."

A reporter asked Mr. Speakes, in reference to Mr. Schultz, "You don't know if he is going to resign or not?"

"He hasn't told me that he is," Mr. Speakes replied.

■ U.S. Memo on Sales
Administration sources have said that the National Security Council circulated a top secret document in June 1985 recommending that the United States ease its arms embargo against Iran and encourage some allies to sell selected military equipment to Tehran to cultivate closer ties, according to a Washington Post report from Washington.

The proposal was prompted by a Central Intelligence Agency internal memo.

DEATH NOTICE

ARSEN. Phyllis on October 22nd in Paris, France. Beloved mother of Lisa Arsen and Sister of David Schwabman, Minneapolis, Minnesota. November 19th 1986, 10:45 AM. Burial: Boulevard Edgar Quinet.

UNIVERSITY DEGREE

For Life, Academic & Work Experiences
Degrees for people who want to be more effective and secure in their Jobs or Professions.

■ BACHELOR'S, MASTER'S, DOCTORATE Degree
By applying your own work experience. College equivalent credits are given for your job, military, company training, industrial courses, seminars, on-the-job experiences. We accept college credits from any country. No entrance exams.

■ Graduate and recognized for their achievements in business and industry. This is a list of new or completed your degree requirements with 12 months of experience at various jobs and/or in your own business.

■ 30 Degrees — See a degree program on work and academic experience for a complete evaluation.

Pacific Western University
600 Hollywood Blvd., Los Angeles, California 90047 - Dept. 50 - U.S.A.

ANGOLA: Northern Front

(Continued from Page 1)

On Monday, a SWAPO spokesman said SWAPO fighters killed 18 South African soldiers, wounded "some others" and destroyed a base, Enham, which is 20 to 25 miles south of the Angolan border in South-West Africa.

Handwritten note: "Jed, no lito"

U.K., Citing Sovereignty Issue, Rebuffs Argentina on Falklands

LONDON — Britain rejected on Tuesday Argentina's proposal for an end to hostilities over the Falkland Islands, saying Buenos Aires had offered nothing new. Officials said Argentina continued to insist on negotiating the sovereignty of the islands, which Argentinians call the Malvinas.

A Foreign Office spokesman said Britain would send a formal reply to the proposals, which were delivered here Monday. Argentina offered to declare a formal end to hostilities in exchange for Britain dropping its 150-mile (245-kilometer) military protection zone around the South Atlantic islands and entering into talks on all outstanding issues, including sovereignty.

Argentine ships and aircraft have been barred from the zone since Britain and Argentina fought a 10-week war in 1982 for control of the Falklands, which have been under British sovereignty since 1883. About 1,000 soldiers were killed before Argentine forces retreated.

In a separate move last month, Britain announced it would exclude unlicensed foreign trawlers, starting in February, from a 150-mile fisheries conservation zone around the islands. That move drew strong condemnation in Buenos Aires and opened a new phase in the dispute.

The British Foreign Office spokesman said that under Argentina's proposal Monday "it does appear that sovereignty would have to be discussed in order for the Argentine proposals to come into operation. If that is not the case, then they should say so clearly."

The Foreign Office spokesman said the Argentine proposal was based on a U.N. resolution Britain had rejected. The resolution calls for negotiation of all matters, "and that means sovereignty," he said.

Alfonsoín, Reagan Center
President Raúl Alfonsoín of Argentina met Monday with President Ronald Reagan at the White House, United Press International reported from Washington.

A White House spokesman said Mr. Reagan had "listened with interest" to Mr. Alfonsoín's discussion of Argentina's proposal to Britain and "reiterated his hopes for a peaceful, negotiated solution to this issue."



In the Andes of Peru, Indians carve out terraces on mountain slopes to raise crops.

In Peru, Priority on Aiding Andeans

García Attacks Indians' Poverty as Rebel War Widens

By Alan Riding
New York Times Service
CUZCO, Peru — Wearing layers of clothes against the winds that sweep across the Andes, 30 Quechua-speaking men and women carved at a steep slope almost 12,000 feet above sea level.

Under their hoes, farming terraces began to take shape, much like those used by their Inca ancestors.

Nearby, another team of Indians from the village of Chuso, including women with babies strapped to their backs, carried mud and stones to build a dike for a tiny reservoir that will provide water to irrigate off-season crops of potatoes and beans on terraces farther below.

In both cases, the Indians were working for themselves and their community, but Peru's Social Democratic government is paying them the legal minimum wage of \$53 a month as part of an emergency program to improve living conditions among approximately 3.3 million Indians scattered over the country's barren southern highlands.

The government's motivation, however, goes beyond the need to honor what President Alan García Pérez has called a "centuries-old debt" to the destitute descendants of the Peru's original inhabitants.

Nor does the interest shown by the governing American Popular Revolutionary Alliance in spreading its political influence beyond traditional coastal strongholds explain the urgency of the action.

Rather, the government has been forced to turn its attention to the Sierras because the extreme leftist Shining Path guerrillas got there first, exploiting the desperate poverty of the Indians to win recruits and support for an insurgency that has taken about 8,000 lives over the last six years.

The guerrillas, building their challenge around the Maoist dream that a peasant army will eventually strangle the cities, began their attacks in remote mountain communities of the department of Ayacucho in 1980.

Since then, while posing no direct threat to the survival of the central government, they have continued to grow, not only becoming active in Lima, where they direct their propaganda at slum-dwellers who have migrated from the Andes, but also spreading southeast into Puno and northeast into Cuzco.

The previous government chose to ignore the social roots of the Shining Path insurgency and tried — but failed — to defeat the guerrillas militarily, dismissing them as bandits and contending that they were financed from abroad.

In contrast, the García administration has concluded that the traditional neglect of the Andean Indians by Lima-based governments has become the rebels' greatest asset. Lima, which is on the Pacific Coast, seems remote from an Andean viewpoint.

"This is the poorest, most abandoned and most forgotten region of Peru where economic and social indicators are among the worst not only of Peru and Latin America, but of the entire world," said Ramiro de Velasco, head of the government's Cuzco Development Corp. "Why terrorism? The state has done nothing for these people for 400 years and now it's difficult to catch up."

Mr. García's recognition of the

strategic importance of the Andes was apparent early last year when he dedicated an unusual amount of his election campaign to traveling the region and studying its problems.

By becoming the first presidential candidate of his alliance to run first in voting in the Sierras, he also created enormous expectations of a change of policies.

The government first identified a 110,000-square-mile (178,000-square-kilometer) priority area, known by its geometric shape as the Andean Trapezoid. It makes up 22 percent of Peru's territory and contains 16.8 percent of the country's almost 20 million inhabitants.

The program's budget for 1986, including donations from abroad, was set at \$410 million.

What distinguishes the program from previous ones, however, is its focus on the specific needs of the Indian population in education, health, transportation and, above all, farming, rather than on such projects as highways and hydroelectric dams.

Its purpose is self-evident: to have a rapid and direct impact on the lives of those who might otherwise be vulnerable to an extremist message.

Since increased agricultural production offers the only real hope of making the region more self-sufficient, almost half the resources have been assigned to self-help programs to build irrigation canals, new terraces and access roads and to provide credit at low — and at times zero — interest rates for the purchase of fertilizer and seed.

At present, most of the special budget is being spent in Ayacucho and Puno departments in the Andean Trapezoid, where the Shining Path is well entrenched.

But in the case of Cuzco, the old imperial capital of the Incas that in recent years has become known as a town with leftist sympathies, the government is confident that its new social programs will enable it to retain the initiative.

So far, the guerrillas have made only occasional incursions into this area. Last June, they blew up a tourist train destined for the Inca ruins of Machu Picchu, killing seven persons, and this month they killed three policemen in two separate incidents.

Most U.S. Agencies Resist Budget Curbs

By Robert Pear
New York Times Service
WASHINGTON — Only two U.S. agencies have submitted budget requests that comply with the limits suggested by President Ronald Reagan for the next fiscal year, according to administration officials.

Except for the Education and Energy departments, the government agencies have all requested more money than was suggested by the White House in formal "guidance" given to them last summer, the officials said Monday.

According to a confidential analysis prepared by the Office of Management and Budget, "Most agency requests have exceeded guidance, implying budget deficit of approximately \$146 billion — \$38 billion over target" for the next fiscal period.

It is not unusual for agencies to request more than the amounts recommended by the White House, but the details of such discrepancies are rarely made public. Budget officials said that efforts by agencies to obtain more money than they were instructed to request would prove futile.

They said that Mr. Reagan was determined to submit a budget that meets the budget-balancing law's 1985 deficit target of \$108 billion without proposing any tax increases.

Officials at the Office of Management and Budget and at several other agencies said they did not know how the administration would meet the deficit goal for fiscal 1988, which begins in October 1987. To achieve this goal, a critic asserted, Mr. Reagan would have to resort to budget gimmicks and accounting tricks.

The budget director, James C. Miller 3d, is reviewing the requests. He will inform agency officials of his decisions next month. They can then appeal to him, to a panel of White House officials, and, ultimately, to Mr. Reagan, who plans to submit his budget to Congress in early February.

The budget documents showed that the deficit would soar \$54 billion over the 1988 target if spending continued at current levels. Thus, to hit the 1988 target, the administration must propose savings that amount to much more than the \$38 billion proposed in February for the current year.

The budget office estimated that the deficit for the current year will be \$163.3 billion.

In the past, Mr. Reagan has often re-submitted proposed budget cuts that had been rejected or ignored by Congress. But re-submitting unsuccessful proposals from his February budget would leave the deficit \$29.5 billion over the target for 1988.

BAUME & MERCIER
GENEVE
1830

Tax-free for export
avant-garde
MONTE-CARLO

3, avenue des Beaux-Arts
MONTE-CARLO

U.S. to Reneg on Funds For Central America

WASHINGTON — A \$300-million economic aid package for Central America that helped influence Congress to support military assistance to Nicaraguan rebels will not be delivered, according to State Department officials and congressional aides.

The four countries received \$406 million in economic support funds last year, congressional aides said.

Part of the confusion stems from an apparent disparity between the legislation giving aid to the rebels, or "contras," which calls for an additional \$300 million for the four countries, and an omnibus spending bill that passed weeks later.

Congressional aides said that the \$300 million had been seen as a message to the region that Congress was interested in improving the region's depressed economy, as well as financing the contras.

The omnibus spending bill in effect said that no new money would be added to the overall budget for foreign economic support. The \$300 million would have to come out of the already lower foreign aid budget.

"We understood that the \$80 million was a separate fund altogether," Mr. Rosenthal said. "Now the funds aren't there anymore and the U.S. Embassy is coming up with explanations that confuse people."

The confusion over availability of the funds has drawn criticism from Honduras. In public statements in Honduras, Jaime Rosenthal, a prominent banker and aide to President José Azcona Hoyo, said that Honduras had been counting on its share of the additional funds, estimated at \$80 million.

"The confusion over availability of the funds has drawn criticism from Honduras. In public statements in Honduras, Jaime Rosenthal, a prominent banker and aide to President José Azcona Hoyo, said that Honduras had been counting on its share of the additional funds, estimated at \$80 million."

AMERICAN TOPICS

Meet the 'Bad Cop' On U.S. Trade Policy

With Michael B. Smith and his boss, Clayton K. Yentler, the U.S. trade representative, the Reagan administration has a version of the bad-cop, good-cop routine. Clyde H. Farnsworth reports in The New York Times.

The trade adversary — be it Japan for blocking Americans from competing in semiconductor markets, South Korea for keeping American insurance companies out of its market or the European Community for restricting American farm exports — is roughed up a little by Mr. Smith, who criticizes their stance, demands corrective actions and threatens retaliation. Then the good cop, Mr. Yentler, enters with smiles and sympathy and the outlines of a compromise.

According to Robert D. Hormats, who played the bad cop in the Carter administration, "this is all part of the rhythm of American trade negotiations." He added, "There's one guy who breaks the eggs" and another who cooks up a tempting omelet.

"It doesn't bother me," Mr. Smith, 50, a career civil servant, says of his abrasive reputation. "It brings an element of realism. They know where I stand."

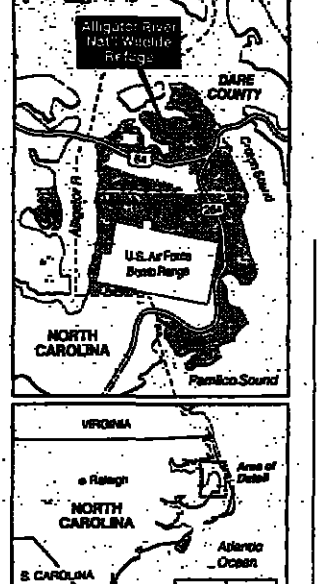
They do indeed. In Tokyo last spring, a U.S. Senate foreign relations committee staff member told a Japanese trade official that Japan imports only a fraction as many Third World products as the United States does. The official shook his finger at the staff member and said, "That's a Mike Smith argument."

Short Takes
The impact of religion on American life is gaining, according to 48 percent of the people surveyed in a recent Gallup Poll, while 39 percent said its influence is decreasing and 6 percent said it shows no change. The proportion saying that religion's influence is growing was three times that recorded in 1969, when 14 percent said it was increasing and 70 percent said it was dropping. The poll also found that 57 percent of those surveyed believe that religion's problems, down from 61 percent last year.

Eight red wolves are leaving Mississippi, like Massachusetts.



One of eight red wolves that will be returned to the wild.



sets when John F. Kennedy was president and John W. McCormack was speaker of the House of Representatives, or Texas, when Lyndon B. Johnson was Senate majority leader and Sam Rayburn was House speaker, is likely to have a potent one-two combination when the 100th Congress convenes in January. John C. Stennis is expected to become chairman of the Senate Appropriations Committee and Representative Jamie L. Whitten will continue as chairman of the House Appropriations Committee.

The only legal burros in Lenhartsville, Pennsylvania, population 210, is closing. The aim is to "take drunk drivers off the road," says Florence Bayer, president of Pennsylvania Dutch Folk Culture Society Inc., which owns the hotel containing the burros. "When people used to drink, they drove home in a horse and buggy," Mrs. Bayer says. "I can still remember as a child we had an old neighbor who came home drunk all the time. The horse knew its way back by himself. But now people get in their cars and drive 90 miles per hour."

—ARTHUR HIGBEE

zoo breeding programs to be turned loose in the wilds of the North Carolina coast after six months of being acclimated in large pens at a wildlife refuge. Birds like the whooping crane have been returned to their natural surroundings. But the red wolves are the first North American land mammals to be reintroduced to the wild after becoming extinct outside zoos or other breeding stations, says Roland Smith, assistant director of the Point Defiance zoo in Washington state and coordinator of the wolf program.

Mississippi, like Massachusetts.

Eight red wolves are leaving Mississippi, like Massachusetts.

Eight red wolves are leaving Mississippi, like Massachusetts.

DELTA FLIES FROM 6 MAJOR EUROPEAN CITIES TO OVER 100 U.S.A. CITIES COAST-TO-COAST.

From New York to Texas, from Florida to California, Delta has frequent flights to just about anywhere in the U.S.A.

Catch Delta's nonstop flight from Paris to Atlanta, where you can make easy Delta-to-Delta connections to 100 major cities across the U.S.A.

Delta also has daily service from the New York and Boston gateways to business and vacation destinations across the U.S.A.

Call your Travel Agent. Or call Delta in Paris at 43.35.40.80. Delta Ticket Office is at 24 Boulevard des Capucines, Paris.

DELTA GETS YOU THERE

Also to the U.S.A. from London, Shannon, Frankfurt, Munich, Stuttgart.

Schedules are subject to change without notice.
R.C.F. PARIS B 331 443 705.

Herald INTERNATIONAL Tribune

Published With The New York Times and The Washington Post

What Are 'Moderates'?

Suppose we did something really radical. Suppose we got rid of the word "moderate" as a political designation, this adjective that usually doesn't even have a noun to modify but becomes its own treacherously undefined noun. As in, of course, "Iranian moderates," whatever they may be.

The thoughtless and promiscuous use of the word, as if it meant something, has led people of every political stripe to fatuous decisions over the years. "Politburo moderates," "Pretoria moderates" and others of this fabricated species are forever being invoked as interlocutors or as excuses for being nice to despicable governments. One does not want to "strengthen the moderates," the reasoning goes. We have all bought into the fantasy over the years, but the Reagan administration's Iran Follies have brought it to a new and humiliating place.

The fundamental trouble with this concept of moderation as a virtue in itself is that it is relative and derivative. A thing can get to be a "moderate" merely by indicating cryptically with a few ambiguous gestures that he is somewhat better than the butcher he works for or somewhat less maniacal or malevolent than he used to be or than his best buddies still are. Accordingly, by being only slightly to the west of a monster, he

can gain "moderate" status. Albert Speer, let it be said, was the "moderate" in Adolf Hitler's inner circle. Let's hear it for Albert.

But of course that is a contradiction in terms, an absurdity. So is "moderation" the current palaver about dealing with the "moderates" in Ayatollah Khomeini's inner circle. The point is not that there are not some disaffected people in that gang or that there are not strains and differences of opinion and ambition among them that the American government should be trying to exploit. The point is that the American government makes a mortal mistake in not seeing these factions and individuals as being unhappy because they want something they are not getting under the present dispensation or because they think that their own leader's way is dangerous, misguided, potentially costly — to them, not to us.

If the people in the Reagan administration who got snookered into sending arms to Iran and into feeling they had to show "good faith" to their "moderate" trading partners had understood any of this, things would have been different. They might have done some good along the lines they had originally in mind, and avoided a titanic and costly misjudgment.

— THE WASHINGTON POST.

The Israeli Connection

The Israeli connection to the American government's Iranian connection is coming into public view only by degrees. Enough is known, however, to establish that in opening a line to revolutionary Iran the United States relied heavily on contacts that the Israelis have maintained with various Iranians for perhaps 30 years. Some reports indicate further that it was an Israeli suggestion that the United States decided to offer spare parts to get its hostages back.

The American officials involved in this affair are big boys. No one can blame Israel for President Reagan's Iran diplomacy. It is not clear, however, that it occurred to those crafting Washington's Iranian connection that the Israelis have their own agenda, and that it is not the same as the American agenda. Being in a state of war with most Arabs, the Israelis have always sought out the non-Arab rivals or neighbors of the Arab powers. Iran has long fit precisely in this category — even Ayatollah Khomeini's passionately anti-Zionist Iran. At war with an Arab foe, Iran found Israel a useful conduit for the American arms and spare parts that, after 1979, it desperately needed but could no longer acquire directly. The United States, by contrast, is not at war with any of the Arab countries and has (or hopes for) good relations with all of them.

The Reagan administration, in the period

when it was trying to cut off arms shipments to both Iran and Iraq, leaned hard on Israel and may have succeeded in shutting down the flow to Tehran by 1984. By 1985, however, the administration had its own new reasons to consider at least token shipments, and Israel was among the ready third countries to which it turned. This was, after all, exactly the kind of use for which both America and Israel had built up a "strategic relationship" earlier in the 1980s. The deal is that Israel is now creating a major embarrassment for American policy-makers for Israel what some of its officials regard as a bright side: They advertise its partnership with the United States.

Over the decades, successive Israeli prime ministers, facing Arab hostility and feeling a responsibility for the Iranian Jewish community, have kept up a link to Iran, no matter what the regime in Tehran. That seems to be why the question of the long-term interest in helping Iran's militant version of Islam — which, if it prevailed, could have only terrible consequences for Israel — did not stir much discussion in Jerusalem. Unfortunately, neither did the question stir full discussion in the increasingly narrow circles in which President Reagan was making his Iran policy. That is a good part of how he came to be in his present fix.

— THE WASHINGTON POST.

Owning Up on the Rhine

Switzerland's open acceptance of responsibility for the chemical poisoning of the Rhine brings a redeeming feature to that disaster. With so much environmental damage to three downstream countries, reparations sound abstract but a threshold of accountability has been crossed.

Since fault was hard to deny, a cynic might say it was easy for Switzerland to offer its mea culpa — and pledge that her private industry would pick up the tab. But getting caught red-handed has not stopped other countries, officials and companies from stonewalling. What is it that prompts some nations and individuals to shirk responsibility and others to take the rap?

That large moral question is complicated by cost and politics. At one extreme is the Chernobyl horror last April. Officialdom, not accustomed to outside demands for information, first fumbled in ignorance, then stood mute for days as neighboring countries pleaded for facts. The belated Soviet disclosures and attempt at apology were not accompanied by any hint of recompense to far-flung fallout victims, whether medical or commercial.

At the other extreme, consider the 1982 case when a Japan Air Lines pilot went berserk and crashed into Tokyo Bay. The company president, Yasumoto Takagi, immediately accepted blame and carried his personal apologies to the families of the 24 victims. He was forced to repeat the ritual last year, and finally to resign, following another crash that killed 520 people.

Such displays of contrition — and admissions of liability — would alarm most American lawyers and amuse heads of companies. When Robert Anderson, chairman of Union Carbide, offered to resign after the disaster at Bhopal in India, he amazed many in the American business community. When E.F. Hutton was convicted of illegal overdrafts, its chairman, Robert M. Fomon, said he could not know everything that went on. He was held accountable neither for knowing nor for not knowing.

America's legal culture and the deep pockets of many companies put a premium on postponing the day of judgment and payment of damages. That is what makes the Swiss confession, if not a dependable precedent, a refreshing example.

— THE NEW YORK TIMES.

Other Comment

Shultz Undone by His Boss

Consider the crumpled George Shultz. He is secretary of state. But no one really told him about Iran. The spectacle of a trauced and miserable secretary of state is, of course, nothing new. American foreign policy emerges from deliberately designed warfare between feudal barons. The war of the president's ear. But even by the rules of that war the affair of the Iranian overtures is pretty jolting. George Shultz was not merely kept in the dark. He was wheeled around the world to bark European states for softness on terrorism; and to tell the Arab League that America was not helping Iran against Iraq. His president did not just let him down; he consigned the destruction of much of Mr. Shultz's credibility.

— The Guardian (London).

A Black Retort to Sanctions

It is not often that one's heart bleeds for the likes of General Motors. But the strikes and violence around the company's modern plant just outside Port Elizabeth in South Africa demonstrate how hard it is for agents of the international capitalist conspiracy to get anything right these days.

The disinvestment lobby has prevailed upon the company to pull out of South Africa. The result is industrial chaos. The 3,000 mainly black union members at the Port Elizabeth plant are up in arms at the prospect of being abandoned by their supposedly exploitive multilateral employers. They fear being taken over by local businessmen. Rightly so.

General Motors, along with the other automotive giants, created a modern motor industry in South Africa in the 1970s. Multinationals helped subvert apartheid. Now General Motors has been forced to pull out. The angry reaction to the manner of its going calls into question the value of automatic, unthinking, all-embracing boycotts.

— The Independent (London).

INTERNATIONAL HERALD TRIBUNE
JOHN HAY WHITNEY, Chairman 1988-1992
KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER
Co-Chairman
LEE W. HUBNER, Publisher
PHILIP FOISIE, Executive Editor • WALTER WELLS, Editor • SAMUEL ABT, KATHERINE KNORR, CHARLES MITCHELMOORE, Deputy Editors • CARL GEWIRTZ, Associate Editor • ROBERT B. WHITCOMB, Financial Editor • ROBERT J. DONAHUE, Editor of the Editorial Page
RENE BONDY, Deputy Publisher • ALAIN LECOUR and RICHARD H. MORGAN, Associate Publishers • FRANÇOIS DESMAISON, Circulation Director • ROLF D. KRAMER, Advertising Sales Director
International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92300 Nanterre-sur-Seine, France. Tel. (1) 46.37.93.00. Telex: Advertising, 613595; Circulation, 612832; Editorial, 611719; Production, 630698.
Director of the publication: Walter N. Thayer
Editor for Asia: Michael Richardson, 5 Convent Road, Singapore 0511. Tel. 472-7768. Telex RSH5928
Managing Dir. Asia: Malcolm Glenn, 31 Gloucester Road, Hong Kong. Tel. 5-9410416. Telex 911170
Managing Dir. U.K.: Robin Mackintosh, 43 Long Acre, London WC2E 9AT. Tel. 93-0729. Telex 933079
Gen. Mgr. U.S.: William W. Looney, 1200 Franklin St., New York, N.Y. 10020. Tel. (212) 512-2000. Telex 421715
SA as capital de 1,200,000 F. RCS Nanterre B 732021126. Comptabilité Partenaire N° 61377
© 1986, International Herald Tribune. All rights reserved. ISSN: 0294-8052

Bring On A Different Presidency

By David S. Broder

HANOVER, New Hampshire — In New Hampshire, the main battleground of American politics for the next 15 months because of its first-in-the-nation presidential primary, the question now being asked is: What in the world has happened in the Reagan White House?

It is the right question to ask as another presidential campaign cycle begins, because the destructive mixture of naivety and secrecy that characterized the foolhardy dealings with Iran has become the chronic undoing of modern presidents.

Ronald Reagan is the third of three strong presidents in the last 25 years to win a landslide election victory and then come a cropper by pursuing, in secret, high-risk policies that could not stand the light of day.

Lyndon Johnson had the naive notion that he could impose a U.S.-designed version of democracy on a country called South Vietnam. When he failed to "win the hearts and minds" of the Vietnamese, he led the United States, by stealthy steps, into an undeclared war. As a result his tenure was shortened and his historic domestic achievements diminished.

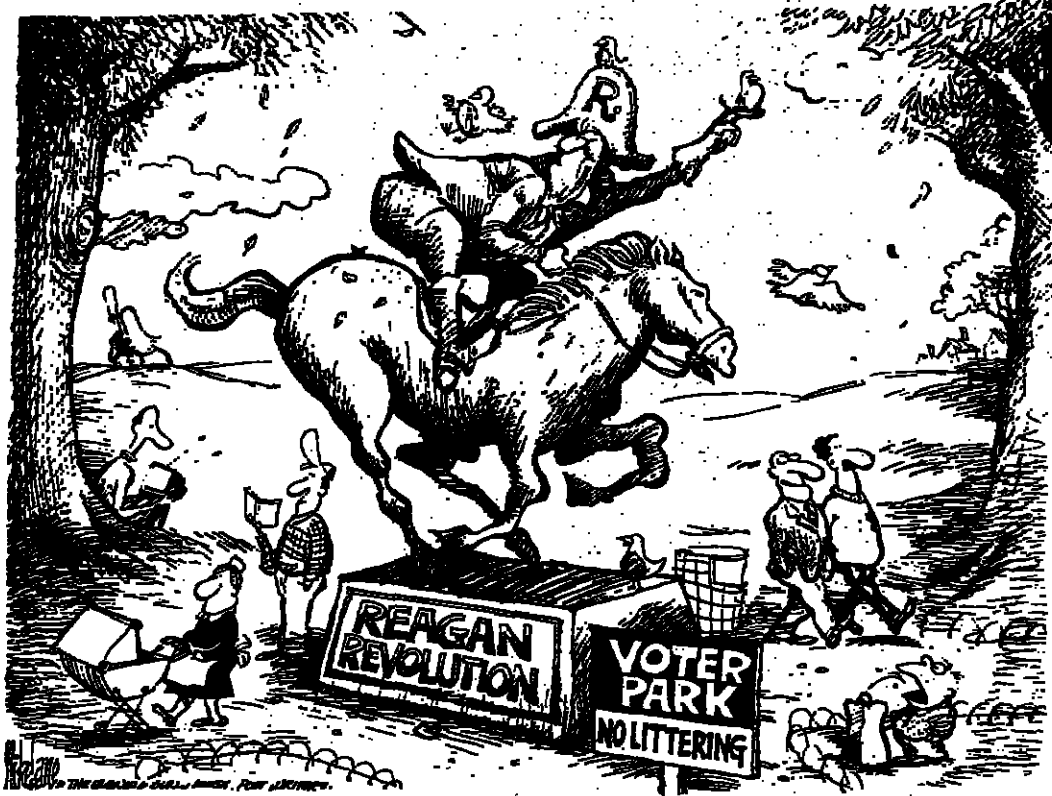
Richard Nixon expanded the war to Cambodia in secret, or so he supposed. Then he decided to deal with domestic dissent and political opposition by sanctioning a secret police operation run from the White House. He paid the price of a premature end to his presidency and brought a cloud down over his other achievements.

Ronald Reagan's blunder in Iran does not seem to be of similar dimensions, but it stems from the same cause: the fatal blend of ignorance and arrogance, operating unchecked in inevitably short-lived secrecy.

It was extraordinarily naive to believe that he could pursue for long a policy that was at odds with the public statements of American leaders and the course of action that America was urging on its allies.

This kind of thing did not happen in the first Reagan administration, largely because James Baker, then the White House chief of staff, had a personal memory of the forces that destroyed the Johnson and Nixon presidencies. He also had a historical understanding of the difference between the founding fathers intended between a president and an absolute monarch.

Mr. Baker's view became the operating rule of the first Reagan administration: that no policy of any scope



or duration could be maintained unless it could enlist support of sensible people in Congress and be explained and defended to sensible people in the press and the public.

Since his departure to the Treasury Department and the takeover of the White House staff by Donald Regan, a very different set of assumptions has operated. Mr. Reagan's belief is that he is there to fulfill the wishes of a president who carried 49 states and who therefore has a mandate that overrides any objections from any quarter. When the lodging of objections would block the initiation of the policy (as would have been the case had Congress known of the arms

shipments to Iran), then this perverse logic suggests that secrecy is not only justified but is even obligatory.

Iran is not isolated instance. In the plight of poor Eugene Hasenbalg and in other incidents, we have learned that the Reagan administration has winked at and encouraged shipments of arms and material to forces seeking to overthrow the government of Nicaragua, an action outside the law and against the strictures of Congress. In the case of Libya, we have learned that the administration carried on a campaign of lying to and through the American news media.

After the Iceland summit meeting, we learned that Mr. Reagan intro-

duced proposals improvised in secrecy by a few White House advisers operating without consultation with the Pentagon chiefs of staff or with America's leading allies and in contradiction of long-standing principles of the free world's defense.

Make no mistake about the serious import of these disclosures. This administration is far down the slippery slope that led to the ruin of the Johnson and Nixon presidencies.

Somewhat we have to break this pattern of paranoia. New Hampshire, where history suggests that the identity of the next president may first emerge, is the right place to begin.

The Washington Post.

Then Shultz Went on the Air and Just Said No

By Tom Shales

THOSE who rise by television can be dismantled by television. That may be what is happening to Ronald Reagan. All Washington is talking now about the extraordinary appearance of Secretary of State George Shultz on the CBS News broadcast "Face the Nation" on Sunday and what it may mean to the Reagan presidency.

Asked by moderator Lesley Stahl if any more arms would be sent to Iran as part of the hostage-exchange program that seems to be going on, Mr. Shultz said, "We gave a signal and the signal has been given and, as far as I'm concerned, I don't see any need for further signals."

The interviewer pressed on: "Well, then, why don't you answer the question directly? I'll ask it again. Will there be any more arms shipments to Iran, either directly by the United States or through any third parties?"

Mr. Shultz did not look upset by this perseverance. "I would certainly say, as far as I'm concerned, no," he said. Then the clincher: "Do you have the authority to speak

for the entire administration?" Mr. Shultz: "No." End of broadcast. "We were quite stunned as to what was happening," the program's executive producer said the next day.

A small percentage of the available television audience watches the Sunday morning news interview shows, but all Washington journalists watch, and what newsmen say gets picked up and used in sound bites on newscasts Sunday night and Monday morning. Mr. Shultz's remarks were widely read and he must have known they would be.

Insiders are speculating about his motives for appearing on the program at all, when it would have been easy not to, and then for making his dissent with the president very public, rather than allowing it to remain the widespread rumor it had been. It does seem that Mr. Shultz was trying to distance himself from the Reagan line. It was perhaps a pivotal moment in the demise of the Reagan era. Television giveth and television taketh away.

— Columnist Tom Shales in The Washington Post.

Molotov Vanishes Down Moscow's Memory Hole

By Flora Lewis

PARIS — The report from Moscow said that Vyacheslav Molotov was buried after funeral services at Novodevichy Cemetery in the presence of a small group of family and friends. He was 96. No Soviet officials attended, and foreign journalists were kept away by the police.

Apparently, Mr. Molotov took to the grave the many secrets of the Bolshevik revolution and the Stalinist period that were destroyed in Moscow's Orlyan memory hole. He could have told a lot.

A young Englishwoman, wondering, who his death was announced, what he had been like: all she knew about him was the famous "cocktail," and she imagined him as a romantic revolutionary. She did not know that the flaming bottle called a Molotov cocktail was the device the Finns used against the Russians during the Soviet-Finnish war of 1939-40 and had nothing to do with the revolution. Mr. Molotov's role as premier during the war prompted the nickname.

He was a short, stocky man with a neatly clipped mustache, always well groomed, and he looked like a small-town banker. It seemed appropriate that when he visited President Roosevelt at the White House during the war, his alias was "Mr. Brown." But he was a close accomplice of Stalin in the most murderous years, a mechanical personality who seemed to balk at nothing.

According to a story I was told years ago, the CIA was emboldened to seek his defection or at least his debriefing by offering \$1 million through a U.S. magazine for his memoirs when he was in Vienna during the early 1960s. He was

recalled to Moscow almost immediately afterward. Nothing came of it, a pity for history.

As part of Nikita Khrushchev's de-Stalinization, Mr. Molotov had been demoted and sent to Vienna for a time as Soviet ambassador to the International Atomic Energy Agency. That was already a big change from the Stalin-Molotov days, when purged officials were automatically jailed and usually executed.

Mr. Khrushchev made a state visit to Austria in 1960, and Mr. Molotov was lined up on the railway platform with all the other local Soviet staff members to greet him. He was placed well down the protocol line, around 70th, not with the people of rank. Passing down the line, Mr. Khrushchev smiled, said a word or two to some Soviet officials, occasionally kissed a child. I stood opposite Mr. Molotov to watch the encounter. They shook hands without a word or sign of recognition. Mr. Molotov was still alive, but for Mr. Khrushchev he had stopped existing.

Later, in 1960, the Austrian government arranged a great celebration for the 25th anniversary of the treaty that ended the postwar occupation. That had been Mr. Khrushchev's decision, but Mr. Molotov, who was still foreign minister in 1955, had gone to Vienna to sign. The Austrians wanted to invite all the diplomatic survivors or their families. Former British Prime Minister Harold MacMillan, Eleanor Dulles, sister of

John Foster Dulles, and many others turned up. The Austrian ambassador in Moscow asked the Soviet Foreign Ministry where he could deliver an invitation to Mr. Molotov. He was told not to trouble himself, just leave it behind, and within a few hours he was told that Mr. Molotov regretted. Moscow was not going to give the survivor a chance to change his mind about telling what he remembered.

So the world will never know his thoughts about the crimes, the betrayals, the fears, the calculations in which he played so large a role before, during and after the war. His blind faith was the image of what the writer Hannah Arendt called in another context "the banality of evil."

Now he is gone, unremembered and almost unmentioned, the last survivor of an age of terror that is hard to imagine for those who never knew it. It is a reminder of the importance of not letting history fade. Mr. Molotov had a lot to do with the shape of the world today, and the story of his experiences would help make understandable much that seems inexplicable.

The system he helped establish remains, but he saw many changes in his country. The very idea of revolution in which he played so large a role before, during and after the war, it did not make his people prosper, it neither rode "the tide of history" nor brought "the workers' paradise" in whose name he and his mentor Stalin imposed such suffering. Life goes on. The worst also passes, but it should not be forgotten.

The New York Times.

For U.S. Impartiality in the Gulf War

By Nizar Hamdoon

The writer is ambassador of Iraq to the United States.

Those were widely believed to be the aims of the United States. The U.S. embargo on military equipment to both Iraq and Iran was considered a firm commitment, and Iraq was repeatedly assured that the United States was trying to stem the flow of arms to Iran from other countries.

Now, however, the administration's admission that secret arms shipments had been sent to Iraq, regardless of the quantities or types of weapons involved, calls U.S. neutrality into serious question. More than that, it gives other weapons exporters the excuse they need to resume unhindered military supplies to Iran.

Thus assured of new sources of war materials, Iraq would have little or no incentive to end the conflict. Continuation of the struggle will mean vast new casualties and destruction on both sides. Some factions within the Iranian leadership may seek to widen the area of the fighting to other countries, with results that could dramatically change the geopolitical equation in the Gulf region and beyond.

Any significant deterioration of the situation obviously would not leave U.S. interests in the region untouched. Global strategies and the world's increasing economic integration would mean a crisis of international proportions if the Gulf became tipped precariously. One of the first results of such a crisis would be an increase in world oil prices.

These aspects of the newly revealed U.S. policy raise serious concern in Iraq and among its Arab al-

lies, such as Egypt, Jordan, Saudi Arabia, Kuwait and the rest of the Gulf states. But one must wonder how these concerns would be addressed if U.S. policy were to lose its credibility, especially in the extremely complicated circumstances that obtain in the Gulf region.

U.S. neutrality in the Iraq-Iran war was and can still be a very important component of peacekeeping. The previously declared U.S. determination to shut off arms to Iran had already created doubts in the minds of some in Iran about the wisdom of continuing the useless conflict. These achievements clearly have been undermined, if not neutralized, by the U.S. agreement to supply weapons, even defensive ones, to Iran.

Any military supplies should be considered offensive under the offensive strategy that Iran is clearly and admittedly pursuing. Weapons, logically, strengthen extremists. Iranian moderates need more pressure to be applied on their government to accept peace rather than support for its military capabilities.

Ending the war should be the first priority, because only when this conflict is over will Iran turn to the pursuit of peace, including cooperation with the United States and other countries, and to assuming a role of responsibility in our region.

With the war continuing, no settlements are possible in the other settled conflicts of the Middle East. Iraq is a major factor of stability and peace in the Arab world, but it is now hindered from playing its vital role.

Iraq will continue to welcome any sincere and serious efforts directed by the United States to end the war.

The Washington Post.

LETTER

Safer Deaf and Dumb

I was delighted to see your report "For Black African Writers, a Long Painful Path to Recognition" (Nov. 17). The truth is that to be an educated person in Africa is often a risk. I agree with Nengi Wa Thiong'o of Kenya that many African writers are in jail. I know the awful situation that Somali intellectuals live in. Politically, economically and socially, Somalia is in a deplorable position. Anyone who dares to speak or write something against the situation will be put in an underground cell.

HASSAN MOHAMMUD HASSAN, Frechen, West Germany.

IN OUR PAGES, 75 AND 50 YEARS AGO

1911: 'Vulgar Dances'

NEW YORK — "How can we expect to arrive at a decent standard for dancing when we read in the daily press the reports of what the so-called smart set is dancing at Newport? We read that they have adopted the 'burly trot' and the 'bummy hug' and that these suggestive dances have been given at the homes of some of the leaders of the colony." These scathing comments were made by Mrs. Charles H. Israel before a recent meeting of the Neighborhood Workers' Association during a discussion relative to bettering the conditions of dance halls in this city. "One of the solutions we think most effective is to teach people how to dance correctly," she said. "When girls learn the regular social dances — the waltz and the two-step — they are averse to the vulgar dances."

1936: Allies for Franco

BERLIN — Chancellor Adolf Hitler and Signor Benito Mussolini acted [on Nov. 18] to recognize formally the Spanish insurgent government. It was the question of Soviet influence in Spain which played an important role in bringing Hitler and Mussolini together, and it was to be expected that one result of their collaboration would be joint support of the insurgents in every way, short of open military intervention. The original intention was to recognize them [understood, was to recognize them] after what was then considered to be the imminent fall of Madrid. [But] the resistance offered by the Spanish capital has caused anxiety both in German and Italian official circles. The belief [was] that the recognition would raise the insurgents' morale.

1936: Allies for Franco

BERLIN — Chancellor Adolf Hitler and Signor Benito Mussolini acted [on Nov. 18] to recognize formally the Spanish insurgent government. It was the question of Soviet influence in Spain which played an important role in bringing Hitler and Mussolini together, and it was to be expected that one result of their collaboration would be joint support of the insurgents in every way, short of open military intervention. The original intention was to recognize them [understood, was to recognize them] after what was then considered to be the imminent fall of Madrid. [But] the resistance offered by the Spanish capital has caused anxiety both in German and Italian official circles. The belief [was] that the recognition would raise the insurgents' morale.

The New York Times.

INSIGHTS

هلنا من اصل

Gephardt Takes a Run-Walk at White House

By Dale Rnasakoff
Washington Post Service

WASHINGTON — The half-dozen House Democrats were exhausted, debating yet again how to put the party's imprint on historic legislation to balance the federal budget.

As often happened in those sessions in the fall of 1985, the rumble of political brokering was pierced by a booper calling the young congressman mediating the talk, Representative Richard A. Gephardt, Democrat of Missouri.

The message was clear. Mr. Gephardt was needed across the street at the House Ways and Means Committee, where Democrats were working just as hard to put their mark on another historic piece of legislation, tax overhaul.

Off he went, crossing the Capitol in a trademark run-walk, down back stairs and tunnels to dodge the lobbyists, arriving with everything in place — red hair and starched shirt unmussed — sitting through the final minutes of the Ways and Means debate, casting his vote, then running the entire sequence in reverse at the sound of the next beep.

This is Dick Gephardt, and this is what turns him on. Not just budgets and taxes, but the dynamic that produces them: that process of listening, talking, winning trust, testing, advancing, retreating, cajoling, bluffing, waiting, massaging, synthesizing, failing, splitting the difference, trying again, compromising and sometimes getting there.

That Mr. Gephardt managed to position himself simultaneously at the heart of the two gargantuan fiscal debates of the 99th Congress — while also juggling a trade bill and a nascent presidential campaign — speaks to his mastery of the process as well as to some basic tenets of his rise to power in the House of Representatives.

Now, at age 45, Mr. Gephardt is seeking to change arenas, running for president as a virtual unknown with a passion for "getting things done." The question dogging him is whether one so schooled in the technical and incremental work of government can articulate a vision that moves an entire nation.

This middle-of-the-road Democrat from the middle of America has made his way largely as a builder of consensus, seeking out and often shaping middle grounds among the party's warring factions. It was not often a glamorous job, but in an era when Democrats were struggling for unity as much as principle, it made him a force on everything from missiles to welfare.

At the same time, Mr. Gephardt helped guide the party in new directions, joining Senator Bill Bradley, Democrat of New Jersey, as co-sponsor of the first widely noticed congressional plan to slash tax rates and limit deductions — a catalyst for President Ronald Reagan's own tax-overhaul proposal. Two years ago he was elected chairman of the House Democratic Caucus, the No. 4 job in the chamber.

"He's sort of an all-American congressman," said Thomas S. Foley, Democrat of Washington, the House majority whip, "a good and decent man that anyone in the House would like to have as his own congressman if they were a constituent."

His record is a blend of his party's many strands. He is close to organized labor and has voted consistently with older party leaders on military and poverty programs.

He also reflects his socially conservative south St. Louis, where he was once an aide to a conservative legislator — although he announced this year that he was dropping his longtime support a constitutional amendment banning it.

But Mr. Gephardt also is part of a "new generation" of Democrats who came of age in the inflationary 1970s — skeptical of federal spending programs, worried more about creat-

ing new wealth than redistributing the existing pie. He joined fewer than 60 Democrats in 1985 to support a bare-bones budget that would have frozen Social Security adjustments along with other spending. It died.

Those who try to peg him on the political spectrum usually come away stumped. Asked in several interviews to articulate what he sees as the ideal role of the government, he said he does not think in those terms.

"The government's role, he said, "gets translated into what are the predominant problems and what are we going to do about those, rather than a discussion about the role of government."

This outlook has given him maximum flexibility in the House. (He once described himself, an associate recalled, as a "terminal centrist.") But it now carries drawbacks: Will a post-Reagan America rally behind someone who embraced compromise even on that most negotiable issue of abortion?

"I'd be very comfortable with him as speaker of the House," said a House ally and friend of Mr. Gephardt's who asked to remain anonymous. "But as president I'm not sure. I have great confidence in his ability to develop coalitions and bring diverse people together. But moderation and compromise and all those wa-

tered-down positions that unite the elements of the House may not inspire the public."

Mr. Gephardt said his mission as president would be to strengthen the U.S. economy with new trade, tax and budget policies.

While his work in these areas is extensive, he cites as the crux of his vision an education system that turns out "strong, competent, productive, skilled, motivated people fulfilling their potential."

Mr. Gephardt has not focused heavily on education as a congressman. But in the year since he began his presidential quest, he has made it a major theme in the Democratic Caucus.

conservative Democrats against the Senate version of the Gramm-Rudman-Hollings law to balance the budget. The Senate plan made all domestic programs vulnerable to automatic budget cuts. The House compromise saved a core of anti-poverty programs, shifting some of the burden to the military.

In the process, however, Mr. Gephardt gave ground on programs he cites as essential to the American future, Head Start and education. To insist on protecting more domestic programs, Mr. Gephardt said, would have lost the conservatives and fractured the fragile Democratic coalition.

"I have very strong feelings about what I want to have happen," Mr. Gephardt said in an interview. "But you have to decide if you're going to stay honed in on that goal at any cost, or you're going to get something done in reality. I'm a very practical person. I want to get things done."

When Mr. Gephardt was elected to the House in 1976, he set about organizing a new generation of Democrats around positions challenging the party establishment on budgets, taxes and federal regulation.

But at the same time, he eagerly sought assignments from older leaders to help rally support for bills, winning their gratitude, and in 1981 becoming the first member of his generation given an official leadership job.

"He was an eager volunteer — I thought at the beginning, kind of peppy," said Dan Rostenkowski, Democrat of Illinois. "Then all of a sudden, there was some marked accomplishment, there was some thought-out analysis, some good vote counts."

FOR his part, Mr. Gephardt has never waited to be recruited. He said he learned from his parents — Louis and Loren Gephardt, a milkman and a legal secretary who could not afford to attend college — to make the most of every opportunity.

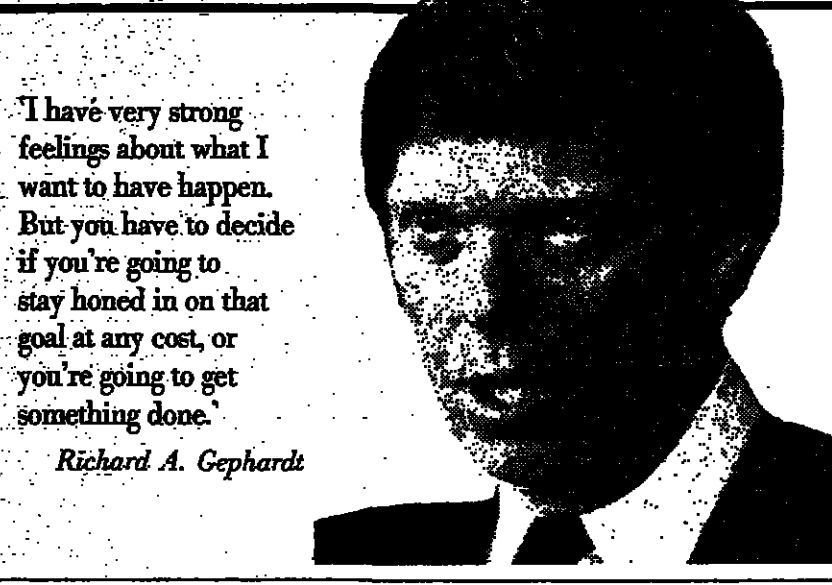
At Northwestern University, he was class vice president as a freshman, fraternity president as a junior and president of the student senate as a senior, while also finding time to make the Honor Society.

A brush with tragedy in his family also spurred him on, he said. Mr. Gephardt's 16-year-old son, Matt, was diagnosed at age one and a half as having terminal cancer. But remarkably, after radical surgery and chemotherapy, the cancer was beaten, and Matt now lives a normal, generally healthy life.

"Before that," Mr. Gephardt said, "nothing had ever happened in my life that was just awful. Not that everything had been peachy keen, but I'd never been ill. I'd done fine in school. That just dropped the bottom out. It's just fate and you can't do anything about it. It changes your attitude toward life."

"It puts a real edge on doing in the present what you can," he said, "not to say you'll put it off until you're 50. You realize how fragile life is. You have this momentary opportunity. You've got to deal with the present in the best way you can."

Mr. Gephardt, who filed documents Monday officially beginning his race for the White House, is a long shot in the presidential sweepstakes. His big hope is the Iowa caucuses, the first matchup of the 1988 primary season more than a year from now.



Richard A. Gephardt

I have very strong feelings about what I want to have happen. But you have to decide if you're going to stay honed in on that goal at any cost, or you're going to get something done.

In Africa, Greater Openness Seen in Dealing With AIDS

By Lawrence K. Altman
New York Times Service

NEW YORK — In a dramatic reversal, some African nations are beginning to acknowledge the impact of AIDS and to allow international experts to visit so they can track the spread of the disease closely and give advice about preventive steps.

The new openness suggests that researchers around the world may be given greater opportunity to examine some of the most pressing scientific questions about the origins of acquired immune deficiency syndrome, its transmission and the number of viruses that may cause it.

One of the biggest mysteries is why AIDS seems to be spread primarily by sexual intercourse among heterosexuals in Africa, whereas elsewhere in the world it is spread primarily among homosexuals and intravenous drug users.

The first glimmer of greater openness could be seen several months ago when a few African countries began reporting a few cases to the World Health Organization. Many African governments had refused to report known cases, and in many countries the precise number of cases is unknown because the countries lack effective health surveillance systems.

At a meeting last week, the wedge of candor had clearly grown into a much wider movement to carry out programs of research and prevention, according to Dr. Jonathan Mann, an American epidemiologist who heads the AIDS program for the health organization, a United Nations agency.

The franker discussion "is a major step forward," Dr. Mann said in an interview after the close of the meeting in Brazzaville, Congo, in which representatives of 37 nations participated. It was the third meeting sponsored this year by WHO, which has come under criticism for not acting more forcefully against AIDS in the past.

Dr. Mann attended both earlier meetings as an AIDS researcher in Zaire. At the first meeting, at Bangui in the Central African Republic, in October 1985, "it was difficult to talk about AIDS in Africa and to openly share information about it," he said, because of the reluctance to admit its existence there.

At the second meeting six months ago in Brazzaville, the discussion was limited to the general need to do something about the disease in Africa, Dr. Mann said.

LAST week's meeting was a marked contrast, with "the minimum of defensive behavior," Dr. Mann said. "AIDS was openly discussed as if it were malaria, or diarrheal diseases, or measles, or similar major public health problems."

By dealing with AIDS directly, Dr. Mann said, "the governments will gain a limited measure of mastery over a problem that otherwise threatens to be overwhelming."

At least 74 countries have reported to WHO on cases of the incurable, fatal disease, which destroys the body's immune system and leaves victims vulnerable to a host of opportunistic

infections. It is caused by viruses that spread through sexual intercourse or exchanges of blood or blood products.

Scientists have identified two viruses that can cause the disease. They also have discovered a third virus that is closely related biologically, but it has not been reported to cause the disease.

Among the steps to combat its spread discussed at the Brazzaville meeting were:

- Formation of broad-based national AIDS committees to encourage widespread education and strong public health measures.
- Establishing an AIDS surveillance system and making initial epidemiological surveys and assessments of the potential costs and logistics of an AIDS campaign in each country.
- Developing the laboratory capability for

By dealing with AIDS directly, a U.S. epidemiologist said, governments in Africa 'will gain a limited measure of mastery over a problem that otherwise threatens to be overwhelming.'

doing AIDS blood tests to improve the accuracy of diagnosis and surveillance.

● Educating all health workers about the disease.

● Encouraging physicians to provide sex education to patients.

Dr. Mann said the World Health Organization told the African nations that it now has the funds and strategy to assist in the battle against the disease.

"We said if this is something you want to do, then we will help by first sending an expert on AIDS to assess and advise a plan," he said. "There are a lot of possible scenarios, such as pilot projects in hospitals and ways of doing a better job in sterilizing needles."

Health workers in Africa often use the same needle for several people without sterilizing it between injections. Contamination of needles is thought to contribute to the spread of AIDS in Africa, although how large a role that plays there is unknown.

Most experts say they believe that the spread of AIDS in Africa is principally through heterosexual intercourse. Elsewhere, the disease has spread mainly among homosexuals, intravenous drug users, hemophiliacs and other recipients of blood products.

Experts have not yet been able to explain the strikingly different epidemiologic patterns of the disease in Africa and other continents.

There are many AIDS cases among African children. Many are born to mothers who are infected with the viruses that bring on the disease. Many other cases result from transfusion with contaminated blood and some may be due to contaminated needles.

General News

Persecution of Jews by Tehran Is Said to Increase Dramatically

By James M. Markham
New York Times Service

VIENNA — Persecution of Jews in Iran has reached such intensity that hundreds of them have joined a much larger exodus of Moslem Iranians fleeing the country, according to refugee officials here.

While Jews have been leaving Iran since the upheaval in which Shah Mohammed Reza Pahlavi was overthrown in early 1979, the officials said that the latest outflow was by far the biggest and most sustained since the time of the Islamic revolution.

Some refugees who have arrived in Vienna estimated that at any time 500 Jews were being detained in Iran, many accused of being Zionists. Others, they said, have been arrested for purposes of extortion.

At the same time, however, the refugees stressed that the travails of Iranian Jews were less severe than those of the Baha'is, who are regarded as heretics by Moslems.

The increased emigration reportedly has brought 800 Jews to Israel in the last several months. No reliable figures are available, but Israeli officials in Jerusalem say they believe that about 40,000 to 50,000 Jews remain in Iran.

However, some refugees in Vienna placed the remnant at 15,000 to 25,000, many of them elderly people fearful of uprooting themselves despite daily harassment.

According to various accounts, Israeli intermediaries organized secret deliveries of American weapons to Iran as part of a White House effort to win influence in Tehran and secure the freedom of

American hostages held by pro-Iranian extremists in Lebanon. But a senior Israeli official said that the emigration was not linked to clandestine dealings with the Iranian authorities. "This whole story," the official said, "has nothing to do with all the reports regarding arms and hostages."

"Everybody had been waiting for this regime to be overthrown, but it didn't happen. It is not only the Jews; it is all the Iranian people."

— A Jewish engineer who has fled Iran

Refugees said Islamic committees in Iran have seized control of Jewish schools and abolished the teaching of Hebrew, violently tried to force young Jews to convert to Islam, confiscated Jewish property, banished Jews from official positions, and routinely arrested, beaten and tortured Jews and used repeated jailings to extort money from them.

"The people who are leaving now had really, really tried to stay," said Bruce T. Lesinsidor, director of the Hebrew Immigrant Aid Society, in Vienna. He added that about two-thirds of the recent refugees had

been tortured or otherwise physically mistreated in Iran. Some 60 to 70 Iranian Jews, most of them headed to join relatives in North America, arrive each week in Vienna. Others have made their way out of Iran to join relatives already settled in Israel.

The Jews stressed that they were but one strand in a vast flight of Iranians seeking to get out of the Islamic theocracy in Iran. There are an estimated 500,000 Iranian exiles in Western Europe and in Turkey, which has reportedly started to turn back some refugees.

"The people of Iran do not like the regime," said one middle-aged Jewish engineer who had fled to a neighboring country by camel with his wife and children. "Everybody had been waiting for this regime to be overthrown, but it didn't happen. It is not only the Jews; it is all the Iranian people."

The engineer, who had worked at the state-run oil refineries in Abadan, said he had been demoted and replaced by an incompetent but ideologically reliable Moslem.

The exodus of Iranian Jews began in the tumultuous weeks before Ayatollah Ruhollah Khomeini returned from exile in early 1979 to lead the revolution that was then sweeping away the shah's regime.

In his first public utterances, Ayatollah Khomeini promised that Iran's 75,000 Jews would be respected and protected. But, particularly after the seizure of the American Embassy, in November 1979, grass-roots Islamic committees and the associated Revolutionary Guards movement began harassing Jews in Tehran, Isfahan, Shiraz, Hamadan and Kashan.

Several refugees said a turning point came three years ago when 2,000 Jews, strolling in Tehran after Sabbath services, were rounded up by Revolutionary Guards, blindfolded, and taken in buses at gunpoint to Evin Prison. After being tortured and denounced as Zionists, they were released the next day.

A young man caught up in the roundup said he was arrested later with a number of his Jewish friends at a birthday party and condemned by an Islamic committee to 105 lashes with a steel cable. "After 35 lashes I fainted," he said. "When I opened my eyes I was in the hospital."

His wife, who also managed to flee to Vienna, said she had been given 35 lashes by women functionaries of the committee but that she had not lost consciousness because the blows were lighter than those given to her husband.



An Arab shopkeeper locks his shop in Jerusalem to protest recent attacks by Jews on Arabs.

Arabs Protest Recent Jewish Attacks

Jerusalem Violence Follows Death of Seminary Student

Jerusalem — Arab storekeepers in Jerusalem's ancient walled city closed their stores on Tuesday to protest anti-Arab violence by Jews angry over the fatal stabbing of a Seminary student last weekend.

Jews threw stones at Arabs, smashed car windows and set a shop on fire in a two-day rampage after Eliahu Amedi, 22, was killed on Saturday.

"The commercial strike today is against the treatment of Jews in attacking Arabs," said an Arab businessman who asked not to be identified.

At least two Arabs were wounded by Jewish stone-throwers after Mr. Amedi was killed near his seminary in the Moslem quarter of the Old City. The police said 19 Jews were arrested and five were still in jail.

A city spokesman, Rafi Levy, said the violence abated Tuesday after police reinforcements were brought in to patrol the Old City.

"If the Arabs don't stop harming Jews, they will be harmed," said Avi Elgar, chairman of the neigh-

borhood committee where Mr. Amedi lived. Israeli rightists angered by the killing called for the death penalty for convicted Palestinian guerrillas.

The former chief of staff, General Raphael Eitan, now a member of parliament from the hard-line Tzohar Party, said the threat of a death sentence would deter guerrillas.

The police said they detained three Palestinians who had confessed to killing Mr. Amedi. According to the police, they said they were members of the Popular Front for the Liberation of Palestine, a

Syrian-based group led by Georges Habash. Israel bombed pro-Syrian Palestinian bases in southern Lebanon on two consecutive days after the stabbing but denied there was a link.

A political scientist, Shlomo Avineri, of the Hebrew University, said it seemed that the stabbing and the ensuing violence were organized by extremists who wanted to kill prospects for peace talks.

"There have been anti-Arab riots in the past, but they were spontaneous," he said. "These days, it is organized."

Some Nuclear Missiles May Be Necessary as 'Insurance,' Shultz Says

By David B. Ottaway
New York Times Service

WASHINGTON — Secretary of State George P. Shultz, in an apparent move to reassure NATO allies, has said that it might be necessary to retain "a small nuclear ballistic missile force" as "an insurance policy" even if agreement is reached with the Soviet Union to scrap most such weapons.

In a speech to a foreign policy group in Chicago on Monday, Mr. Shultz sought to reassure allies in Western Europe that President Ronald Reagan's proposal at the meetings in Iceland with Mikhail S. Gorbachev to eliminate all nuclear ballistic missiles in 10 years did not mean an end to the alliance's reliance on nuclear weapons for deterrence.

Apparently offering a variation on the president's October proposal, Mr. Shultz said that even after the elimination of ballistic missiles, the North Atlantic Treaty Organization would need "insurance policies to hedge against cheating or other contingencies."

While saying it was not clear what form these policies might take, Mr. Shultz suggested that an agreed-upon retention of a small nuclear ballistic missile force could be part of that insurance.

It was the first time a top Reagan administration official has publicly suggested such a modification in the president's initial proposal to the Soviet leader.

Mr. Reagan's program for a space-based missile defense shield, known as the Strategic Defense Initiative, also would play "a key part" in such an insurance policy, Mr. Shultz said.

But he added that the space defenses would be "desirable" only if they were "survivable" and less costly to build than offensive weapons that might overcome them. Other administration officials have suggested that the program might be worthwhile even if it is more

expensive than offensive weapons. Since the meetings in Reykjavik the administration has come under heavy pressure from its North Atlantic allies to reconsider the implications of Mr. Reagan's proposed elimination of ballistic missiles.

After meeting with Prime Minister Margaret Thatcher of Britain over the weekend, Mr. Reagan agreed that the alliance's basic strategy of flexible response will continue to require "effective nuclear deterrence based on a mix of systems."

The two leaders also agreed that any reductions in nuclear weapons would increase the importance of eliminating the disparity in conventional forces that now favors the Warsaw Pact nations.

Mr. Shultz said that a world without ballistic missiles would not mean the end of the alliance's reliance on a nuclear deterrence.

"With a large inventory of aircraft and cruise missiles," he said, "the United States and NATO would retain a powerful nuclear capability."

Reagan Sees Bonn Aide
John H. Cushman Jr. of the New York Times reported from Washington.

The White House and the West German Defense Ministry sought Monday to link nuclear arms-control proposals put forth by the Reagan administration in Iceland with parallel steps to balance other forces of the Atlantic alliance and the Warsaw Pact nations.

But statements by Defense Minister Manfred Wörner on the course of future arms-control talks diverged in some regards from the Reagan administration's description of its arms-control policies.

Mr. Wörner, after meetings Monday with President Reagan and Defense Secretary Caspar W. Weinberger, said that West Germany, like other West European nations, supported the idea of a 50-percent reduction in strategic nuclear forces over a five-year period and a reduction to zero in intermediate-range missiles stationed in Europe.

But he would not endorse another part of the proposals put forth by Mr. Reagan at Reykjavik, to eliminate ballistic missiles completely in 10 years. This, Mr. Wörner said, needs further study.

He added that removing all intermediate-range nuclear forces from Europe, the so-called zero option, would require a parallel agreement on reducing shorter-range nuclear missiles.

Canada Sold Parts to Iran

Washington Post Service

MONTREAL — Canadian officials have confirmed that Pratt & Whitney Canada Inc. shipped helicopter engine parts to Iran last year, but they denied that the exports were related to the release of American hostages in Lebanon.

The Ottawa officials said Monday that the manufacturer, a subsidiary of United Technologies Corp. of Hartford, Connecticut, had been shipping the spare parts to Iran for 16 years. They confirmed that an export license had been issued for a shipment shortly before the Reverend Benjamin M. Weir was freed. But they described the timing as a coincidence.

The parts were for the engine of a Bell-212 helicopter that is assembled in Italy. Although the aircraft resembles the combat Huey Cobra

helicopter, the officials said, it is designed for such purposes as oil exploration and mineral surveys.

"This specific engine would not be powerful enough to be used in any military capacity," said the Canadian External Affairs spokesman, Denis Comeau.

The parts were ordered by what Canadian officials said they believed was a private company in Tehran, Helicopter Support and Renewal. Mr. Comeau declined to say what volume of equipment was shipped but he did say that only a "relatively small amount of money" was involved. He said that Canada purchased about \$108-million worth of oil from Iran last year and exported about \$44 million in commodities. Most of the exports were grain, dairy and wood and pharmaceuticals.

Pope Starts His Longest Trip

He Flies to Southern Asia, Pacific and Australia

By Roberto Suro
New York Times Service

ROME — Pope John Paul II set off Tuesday on the longest trip of his pontificate, a 14-day journey that is to take him to South Sea islands, Asian cities and the Australian outback.

Traveling more than 30,000 miles (about 50,000 kilometers), the 66-year-old pope and his entourage will spend three nights in flight and will have to adjust to a dozen different time zones.

Vatican officials depict Pope John Paul's 33d trip abroad as the most physically taxing that he has ever undertaken.

A day longer than any of his other trips, this journey will bring him into contact with a wide range of cultures and religious situations.

Over the course of more than 50 addresses, Vatican officials expect John Paul to touch on many of the themes that have consistently concerned him, and the officials say he may break new ground in some important areas.

The centerpiece of the trip is a tour of 10 Australian islands and towns that will involve more than 300 miles of formal motorcades. On the way to Australia, where he will spend six full days, the pope will make quick stops in Bangladesh, Singapore, the Fiji Islands and New Zealand.

On his way back to Rome on Dec. 1, the pope will say Mass in the Seychelles while his plane is being refueled.

In Australia and New Zealand, Vatican officials expect him to deal with several subjects that are of concern to Roman Catholics in the United States.

In Australia, for instance, some Catholic groups and feminist organizations have protested the limited role that women are granted in the church leadership.

Although dissent against papal authority is not as pronounced in the two Pacific countries as it is in the United States, church officials

note that some of the same differences have developed between Rome and local Catholic groups.

As seen by Vatican officials, Australia presents a broad series of problems similar to those that the church encounters in the United States and most West European nations.

Changing attitudes toward sexual morality and toward the church itself have become increasing preoccupations in all of these countries, the officials said.

While in Australia the pope is expected to address an issue that now is the subject of intense study by Vatican officials: the moral problems raised by recent advances in the biological sciences.

Australia is a leader in the practice of in vitro fertilization and related research, and the pope will be visiting a maternity hospital there.

Catholics are in a minority in all the countries the pope will be visiting except for the Seychelles, and some potentially important interfaith encounters are on his agenda.

In Bangladesh, which is overwhelmingly Moslem, the Islamic authorities are planning to extend an unusual degree of hospitality, including attendance at a Catholic religious service.

In Australia and New Zealand the pope is scheduled to meet with local Anglican bishops, and they are expected to discuss recent efforts to explore the possibility of union between the Anglican Communion and the Catholic Church.

Several stops on the trip will give the pope an opportunity to address economic issues and meet with industrial workers in Sydney and the unemployed in Hobart, Australia.

The journey also will produce a series of cultural encounters with native cultures as John Paul is scheduled to rub noses with Maori tribesmen in New Zealand, receive a whale's tooth in the Fiji Islands and meet with aborigines in the town of Alice Springs, deep in the wilderness that Australians call the outback.



In Dhaka, a Bangladesh rickshaw driver decorated his vehicle with a portrait of Pope John Paul II. The pope is to arrive in Bangladesh on Wednesday on the first stopover of his 14-day trip to the region.

Most Strikers Return to Work

At GM Facility in South Africa

The Associated Press

PORT ELIZABETH, South Africa — Most strikers at the General Motors Corp. plant here streamed back to work Tuesday in the face of a GM ultimatum to end the three-week strike or be dismissed.

Robert McIlwaine, GM's director of industrial relations, said that only 219 of the 1,800 strikers had failed to return, and were dismissed because they did not report before the 9 A.M. deadline announced by the automaker on Monday.

He said that about 350 of the 566 strikers dismissed last week for taking part in a sit-in at the plant had applied to be rehired, and more applications were expected. Only those involved in violence would be turned away, he said.

"Definitely, the strike has been effectively broken," said Fred Sauls, general secretary of the National Automobile and Allied Workers Union.

Strikers had demanded compensation and a say in the new management after the American parent

company decided to sell its South African operation because of depressed sales and pressure in the United States to end operations in South Africa.

GM had said it would consider the workers' demands, but only after the strike ended.

George Stegmann, director of personnel and public affairs, had said that nearly all of the hourly work force, mainly people of mixed race, joined the strike initially.

No violence occurred Tuesday at the plant. On Monday, the police arrested 16 persons after charging into a crowd of about 300 people with dogs and rubber whips when strikers refused an order to disperse and stop intimidating those trying to enter the plant.

The pro-government Citizen newspaper greeted Mr. Perkins, who made no comment on arrival, with an editorial warning that "anti-Yank feeling" was growing in South Africa.

Mr. Perkins, a career Foreign Service officer who most recently was sworn in nearly two weeks ago as ambassador to South Africa.

Separately, Pretoria has refused

a visa request from the U.S. State Department for an American official, Christine Babcock, of the Agency for International Development.

The visa was sought so she could complete a report on health conditions and the extent of starvation and malnutrition in South Africa's black homelands, the government said Monday night.

A statement released on behalf of Foreign Minister R.F. Botha said that the report, part of the recent anti-apartheid act passed by the U.S. Congress, amounted to interference in South Africa's domestic affairs.

The statement said that Pretoria would reconsider the visa request if Washington undertook a similar study of health conditions in all African countries.

In another development, leaders of the Roman Catholic Church in South Africa said that their first meeting with President Pieter W. Botha had left them with little hope that racial violence would end, United Press International reported.

"A meeting like this makes it very difficult to hope," Archbishop Denis Hurley said Monday after he and five other church leaders held a two-hour meeting with Mr. Botha.

"We feel that no conspicuous objective has been achieved," said Archbishop Hurley, who is bishop of Durban and leader of the South African Catholic Bishops Conference.

U.S. Jails a Suriname Leader

MIAMI — Captain Etienne Boerewaan, 28, a member of Suriname's 18-member ruling council, was sentenced Monday to 12 years in U.S. federal prison for conspiring to sell safe passage through his nation for cocaine-laden planes at \$1 million a shipment. He was convicted Sept. 17.

Canada-South Africa Trade Soars, Despite Curbs

By Herbert H. Denton
Washington Post Service

TORONTO — Canadian trade with South Africa has soared over the past year despite a series of governmental restrictions aimed at limiting economic relations with Pretoria.

Prime Minister Brian Mulroney of Canada has strongly urged other nations, especially Britain, to impose tough economic sanctions against what he described as Pretoria's "evil regime."

But the government's wheat-marketing board has arranged to increase the sale of Canadian red spring wheat to South Africa from one ton in 1985 to 55,000 tons in the first six months of this year.

Private Canadian companies also have increased their trade sharply with South Africa.

Last year, the Canadian government imposed some sanctions, which included termination of government loans and insurance for business agreements with South Africa and an embargo on air cargo.

But Canadian companies were not required to divest themselves of their South African holdings, nor was new investment barred.

Opposition party critics had derided the moves as "hollow gestures" as they were announced over the past year.

But the external affairs minister, Joe Clark, had defended them, insisting in a House of Commons debate last summer that they kept "Canada in the forefront of those who oppose apartheid."

Canada's imports from South Africa jumped 33 percent to \$92 million in the first half of 1986 from \$69 million a year earlier. By August, the purchase of aircraft from South Africa by the Canadian company Warden drove total imports higher than in all of 1985.

Canadian exports to South Africa increased 28 percent to \$74 million in the first half of 1986 from \$58 million a year earlier.

Grant Manuge, a press officer for the External Affairs Ministry, said a decline in the value of the exports had to have made South Africa products more attractive to Canadian importers.

Mr. Manuge said trade may have increased this year because businesses were expecting the more comprehensive economic sanctions that went into effect Oct. 1. He cited increases in imports of South African wine, chrome and manganese late in the summer.

"Trade is not a tap that can be turned on and off," Mr. Manuge said. "When the next statistics

come out covering this period, we expect to see a very different picture."

He said restrictions imposed Oct. 1 on importing South African agricultural products — which include wheat — and some minerals, coal, iron and steel are expected to reduce Canadian imports from South Africa by \$64 million annually.

About 30 percent of Canada's gross national product is tied to external trade, compared with 15 percent for Japan and 10 percent for the United States.

In January, when President Ronald Reagan sought support for his economic sanctions against Libya, Canada responded by condemning terrorism and announcing that it would support the U.S. initiative by banning the export to Libya of technically advanced oil-drilling equipment and terminating government loans and insurance for Canadian business operations in Libya.

According to recent government figures, Canada's trade with Libya has continued at about the same level in the first half of this year as in the like period in 1985.

In January, Sean Brady, an External Affairs Ministry spokesman, said that the importation of Libyan

oil had not been banned because such imports were declining rapidly. The next month, Canadian importers bought \$17 million of Libyan oil. Canadian purchases of Libyan oil totaled \$26 million for 1985.

Canada's policy in Central America provides an example of the force of economic considerations.

Canada had refused to join the U.S. embargo of Nicaragua and allowed Nicaragua to move a trade office from Miami to Toronto.

Disagreeing with the U.S. action, Mr. Clark said, "We should be turning our attention to encouraging economic and social development."

Canada has provided about \$4 million in economic development loans to Nicaragua.

But after Nicaragua moved its trade office to Toronto, its trade with Canada dropped sharply because Canadian banks and the government foreign loan agency decided Nicaragua was a bad credit risk.

Among recent measures Canada has taken against South Africa was the decision this month to cease providing consular services in Pretoria to South African citizens seeking visas, work permits and immigrant status in Canada.

ANNOUNCEMENTS

WINE BEAUVOIS, Come & taste by the glass...
AMERICAN AND EUROPEAN...
LOCOUS ECOLE DE LANGUE OFFERS...
ALCOHOLICS ANONYMOUS...
GUAM USA DIVORCE...
USA DIVORCE IN 14 DAYS...
PORTUGAL SEE...
PERSONALS...
THIS CHRISTMAS, GIVE SOMEONE...
CONGRATULATIONS TO ROB R...
HOTEL INDIA HINDU HAPPY Birth...
MOVING...
interdean...
REAL ESTATE SERVICES...
REAL ESTATE FOR SALE...
FRENCH PROVINCES...
GREECE...
MONACO...
THE MOST BEAUTIFUL PENTHOUSE...
AG.E.D.I...
FBG ST. HONORE...
AGENCE DE L'ETOILE...
NEUILLY SUR BOIS...
AVE MONTAIGNE...
16TH LONGCHAMP 165 SO.M. ARTIST ATELIER...
LUXEMBOURG, Unique, class 15M...

INTERNATIONAL CLASSIFIED

(Continued From Back Page)

REAL ESTATE FOR SALE SWITZERLAND...
AT HOME IN PARIS APARTMENTS FOR RENT OR SALE PARIS PROMO...
81 AVE FOCH...
NEAR CHAMPS ELYSEES...
COREP: 45 89 92 50

EMPLOYMENT EDUCATIONAL POSITIONS AVAILABLE...
PART-TIME LANGUAGE TEACHERS...
DOMESTIC POSITIONS AVAILABLE...
EXCEPTIONAL RATES...
ICELANDAIR...
PORTUGAL 7 DAYS INCLUSIVE TOURS FROM LONDON TO...
AUTOS TAX FREE...
SHIPSIDE BUY YOUR NEXT CAR TAX FREE OR USE OUR BUY BACK PROGRAM...
AUTOS TAX FREE...
SHIPSIDE...
TRANSCO...
OCEANWIDE MOTORS...
LEGAL SERVICES...
LOW COST FLIGHTS...
Embassy Service...
YOUR REAL ESTATE AGENT IN PARIS 4562-7899...
In A FAMOUS BUILDING The Claridge Residence...
TEL 43 59 67 97

LOW COST FLIGHTS ACCESS VOYAGES...
New York \$1250 \$2400...
San Francisco \$2190 \$4130...
Los Angeles \$2190 \$4130...
Atlanta \$1900 \$3540...
Dallas \$1750 \$3390...
Chicago \$1750 \$3390...
Miami \$1750 \$3390...
Boston \$1750 \$3390...
Montreal \$1750 \$3390...
Toronto \$1750 \$3390...
Calgary \$1750 \$3390...
Vancouver \$1750 \$3390...
Mexico \$1750 \$3390...
Rio de Janeiro \$1750 \$3390...
Buenos Aires \$1750 \$3390...
Tokyo \$1750 \$3390...
and more destinations...
15% discount on 1st & business class...
PARIS tel: (1) 42 21 44 94...
EXCEPTIONAL RATES...
New York FF 125 FF 250...
Washington FF 125 FF 250...
Chicago FF 125 FF 250...
Dallas FF 125 FF 250...
For further information and reservations, call...
ICELANDAIR...
HOLIDAYS & TRAVEL...
PORTUGAL...
7 DAYS INCLUSIVE TOURS FROM LONDON TO...
LISBON 1865.000...
ESTORIL/CASCAIS 1490.000...
COSTA VERDE (OPORTO) 2190.000...
MADEIRA 1920.000...
HOTELS...
TUDOR HOTEL, 204 Ave 42nd St...
CHURCHILL-GROUP OF 14 BOOKS...
BOOKS...
EDUCATION...
HOME & SCHOOL IN SWITZERLAND...
COLLEGES & UNIVERSITIES...
A KENSINGTON DEGREE CAN UNLOCK YOUR EARNING POWER...
KENSINGTON UNIVERSITY...
Pages 16 & 15 FOR MORE CLASSIFIEDS

Manila Says Rebel Talks Won't Resume Until '87

Manila

MANILA — A senior government official said Tuesday that cease-fire talks with Communist rebels, suspended because of the murder of a leftist labor leader, would not start until next year.

"It is unfortunate that this has to happen when we were at the brink of signing a cease-fire agreement in time for Christmas," Agriculture Minister Ramon P. Mitra said.

Mr. Mitra is one of three government emissaries negotiating with Philippine rebel leaders.

The talks were suspended Thursday after the labor leader, Rolando Olalia, who also was head of People's Party, was killed.

Mr. Mitra said they were summoned to the presidential palace by President Corason C. Aquino to discuss the stalled cease-fire talks and added, "Whatever action the government will take, I am sure the lines will remain open."

The rebel negotiator, Saturnino Ocampo, has said already that the talks will not resume until certain demands, which he did not specify, were met.

Teofisto Guingona, a government negotiator, said Tuesday that the resumption of the talks depended on the progress in solving the murder of Mr. Olalia. But he said

Israeli President in Singapore; Malaysia Protests His Visit

United Press International

SINGAPORE — President Chaim Herzog of Israel arrived Tuesday in Singapore, and Moslems demonstrated in Malaysia for a second consecutive day to protest Singapore's decision to meet him.

Mr. Herzog and President Wee Kim Wee met for an hour under heavy security at the presidential palace. They discussed Middle East and Southeast Asian issues, including the Vietnamese occupation of Cambodia, a Singapore official said. They also reportedly discussed trade issues.

At a state banquet for Mr. Herzog, Mr. Wee said that Israel should return its occupied territories and recognize a Palestinian right to self-determination.

About 50 demonstrators burned an effigy of Mr. Herzog atop a building housing a political party,

U.S. Court to Hear Case of Japanese Detained in 1940s

New York Times Service

WASHINGTON — The Supreme Court, more than 40 years after its much-criticized decision upholding the government's wartime detention of Japanese-Americans, has agreed to review a government appeal disclaiming any liability to pay their damages.

The court announced the decision Monday.

The complex case involves what the government has conceded was a great moral wrong. But the pending appeal does not directly involve the legality of the detention.

It is thus unclear whether the court will address the legality or morality of the government's actions in uprooting 120,000 American citizens and resident aliens of Japanese ancestry from their homes in Western states and herding them into prison camps.

Brigadier General Luther Custodio, right, salutes General Prospero A. Olivras on Tuesday at the reopening of the Aquino murder trial. Both were acquitted in the first trial.

Two of the original defendants — Mr. Marcos' armed forces chief, General Fabian C. Ver, and Captain Felipe Valerio — were not charged in the new trial.

Attorneys for 22 other soldiers, including Brigadier General Luther Custodio, requested postponement of the arraignment of their clients.

General Olivras was accused as an accessory and Mr. Gossuor as an accomplice in the Aug. 21, 1963, murders of Mr. Aquino and of Rolando Galman. Mr. Galman was accused by the military of being the man who shot Mr. Aquino.

Mr. Aquino, the chief opponent

of Ferdinand E. Marcos, was shot at Manila International Airport upon his return from three years of self-exile in the United States. Mr. Galman was killed by soldiers moments later.

On Sept. 12 the Supreme Court ordered a new trial for 24 of the 26 persons acquitted in the murder.

Chaim Herzog after arriving Tuesday in Singapore.

Pages 16 & 15 FOR MORE CLASSIFIEDS

Handwritten note: "Spill, no limit"

ARTS / LEISURE

Fluent Staging of Shavian Ramblings

By Sheridan Morley
International Herald Tribune

LONDON — Written in 1932, when he was 76, Shaw's "Too True to Be Good" is an eccentric conversation piece involving a runaway actress, a microbe with measles and a parody of Lawrence of Arabia, not to mention a priest disguised as a burglar and a sergeant with a prophetic vision of World War II.

It has always been among the most difficult of his plays to stage, but at Riverside Studios an ex-

THE LONDON STAGE

tremely intelligent production by Mike Alfreds for the Shared Experience company does a lot to overcome the central dilemma — a dilemma as usual best articulated by Shaw himself. At the end of Act I, by which time the poor little rich girl has decided to run away with the burglar and a nurse and her own pearl necklace to start a new life in the mountains, the diseased microbe warns the audience that the play is now virtually over but that the characters will discuss it at great length for two acts more.

Sure enough, they do just that. Twenty years on from "Misalliance" we are now into a debate about the nature of individual free-

dom. No character, with the possible exception of the local Lawrence of Arabia, is quite what he or she seems to be, and the final message delivered by the preacher in a long monologue as the stage lights go down, is that in an age devoid of religion or politics we fall endlessly and hopelessly through a void.

The need to find individual truth is on one level what this play is all about, but it is also a rambling debate that picks up many of the intellectual issues of the early 1930s, turns each one over for a while before moving on to the next, and ends up in a kind of despair about the failure of people to come to terms with their individual destinies.

This is one of the many later Shavian pieces that would work as well on radio as on stage, but against the do-it-yourself cut-out sets by Paul Dart it has been given a fluent production in which Selma Cadell as the patient and Sian Thomas as the nurse are notably strong.

To call a play "Dirty Dishes" and to stage it on the premises of the Raymond Revuebar in Soho is to invite misunderstanding. But what we have on the Boulevard stage there is by no means another sex show. It is a bleakly and blackly

The final message is that, in an age devoid of religion or politics, we fall endlessly and hopelessly through a void.

funny comedy that takes place on Halloween in the kitchen of a London pizza restaurant. A talented company of eight, directed and choreographed by Tim Whitby, plays out 15 hours of increasing kitchen chaos and confusion in two hour-long acts as a staff made up in the main of illegal immigrants finds time to cook and serve the occasional meal to customers while sorting out a vast range of personal problems ranging from sex and drugs to the death of one of their number.

The management finds it expedient to employ aliens (from South America in the main) because they are cheap to pay and easy to threaten with deportation if they start demanding reasonable salaries. There's Valerio (Andy Linden),

who routinely starts his shift by spitting into the chili; Carlos (Guy Moore), who fancies himself the Don Juan of the establishment as he works his way through the waitresses; and Edgar (Cliff Paris), so spaced out on drugs that onion chopping becomes a highly dangerous task. The women are led by Sadie Shimmin as the people-pleaser in charge of the salad bar. There is also the American, Liz (Nancy Gair), who under the brittle strength of a Jean Crawford harbors the vulnerability of a Marilyn Monroe.

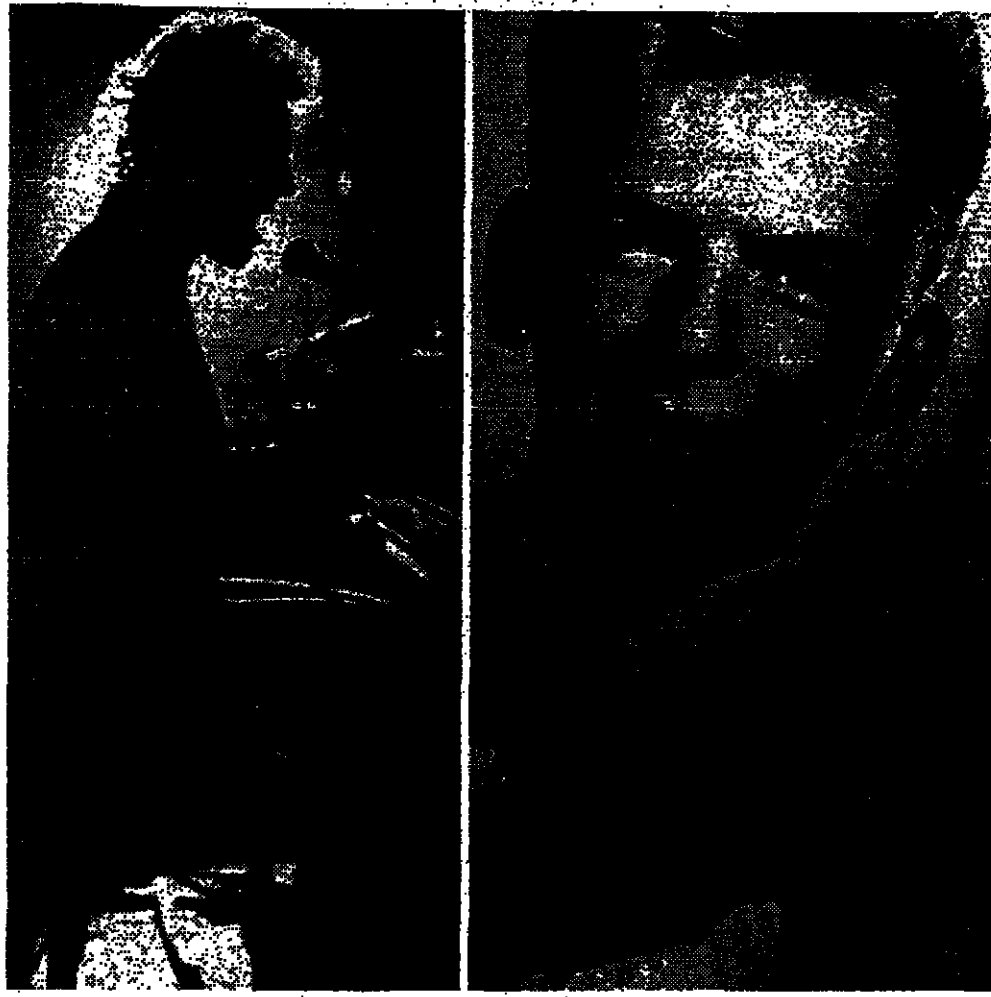
What works so well here is the mix of professional duties and private despair. Though U.S. staff does attempt a refusal to work the double shift caused by some sudden dismissals, so strapped are they for ready cash and so nervous about their status that they can be won over to working right around the clock merely by the promise of an ultimately unpaid £10 bonus.

Whitby's central theme is the exploitation of immigrant labor by an unscrupulous English boss (Ollie Parker) who is not above disguising himself as his more kindly brother when the going gets rough. Whitby, a dramatist new to me, is good enough to know that an audience needs more than a message and a few character sketches. What he

offers is a day and evening stint in a pizza kitchen, since there is (as both Arnold Wesker in "The Kitchen" and David Storey in "The Contractor" have established) considerable fascination in watching people at work, however appalling the work actually done.

A couple of years ago it was the bright idea of the journalist and playwright Keith Waterhouse to supply a diary for Mrs. Pooter, since that of her husband had been for almost a century the best-selling "Diary of a Nobody." Now Waterhouse has taken the Grossmith original as well as his companion volume and made them over into "Mr and Mrs Nobody" (at the Garrick).

The husband-wife team of Michael Williams and Judi Dench play the incurably suburban couple in a double act of sustained charm and good humor despite the occasional marital tiff. They are the only speaking characters on stage all evening, but in Ned Sherrin's inventive and assured production two people sitting at either side of the stage reading from their daily journals about one another and the trials of everyday life around the turn of the century makes for a livelier evening than such a description might lead you to expect.



Springsteen and (right) Sinatra in the 1940s.

Boss Versus Voice

By Mike Zwerin

PARIS — "Bruce Springsteen & The E Street Band Live/ 1975-1985" and Frank Sinatra's "The Voice, 1943-1952," boxes of five and six records respectively, have recently been released by CBS.

The Springsteen collection, concert versions of pre-released and new material, 40 songs in all, has been much praised as his strongest recording-to-date — the definitive Springsteen. Advance orders totalled 1.5 million copies.

Called "The Boss," Springsteen is respected as sincere, relevant, populist, a top songwriter-performer and certainly commercial (his album "Born in the U.S.A." sold more than 13 million copies worldwide). But this 3 and a half hours of Springsteen adds up to little more than pure energy. The collection has been touted as "testifying to the decade." We live in loud, unmelodious times.

This is a series of similar songs with minimal form, often in the same key, and in only two dynamics, loud or soft. What you hear in the first four bars is usually all you're going to get. His voice has only one texture, a growl perfectly wedded for instant recognizability and eventual tedium to his saxophonist Clarence Clemons.

Though his sensitive lyrics are essential, they are often difficult to understand. Springsteen has objected to accusations that the song "Born in the U.S.A." is "pure Rambo." Rather it is sensitive story about a working class Vietnam veteran who comes back and finds "nowhere to run . . . nowhere to hide." There is only the performer to blame, however, because except for the dulling, repetitive title

phrase, the words must be read to be understood. The package includes an illustrated 31-page booklet with the lyrics.

His down-home style can get syrupy, as in a monologue telling how his father objected to his long hair. He's at his best, good indeed, when he quiets down with material from his excellent solo album "Nebraska," which is reminiscent of Woody Guthrie and early Dylan.

After listening to this box of records, a rock fan might remember Randy Newman's song "My Life Is Good," in which he meets Springsteen, who says: "Ran, I'm tired. How would you like to be The Boss for awhile?" The Boss can be tiring.

Oddly enough, there is an overriding aura of peace and order about the Sinatra collection that begins during World War II and carries through the height of the Cold War and the Korean War.

Although his texture would get richer and he would get more musical, his phrasing more varied and secure in the '50s and '60s, early Sinatra is still more convincing and less dated than Linda Ronstadt's recent attempts to revive the same feel and material for her audience.

Since the age of rock, there has been a tendency to laugh at Sinatra. "Old Man River" might indeed be laughed at — "Tote dat barge" sung by a white man beated up with symphonic orchestrations. But that is perhaps the only exception. The rest is pure, joyful good taste.

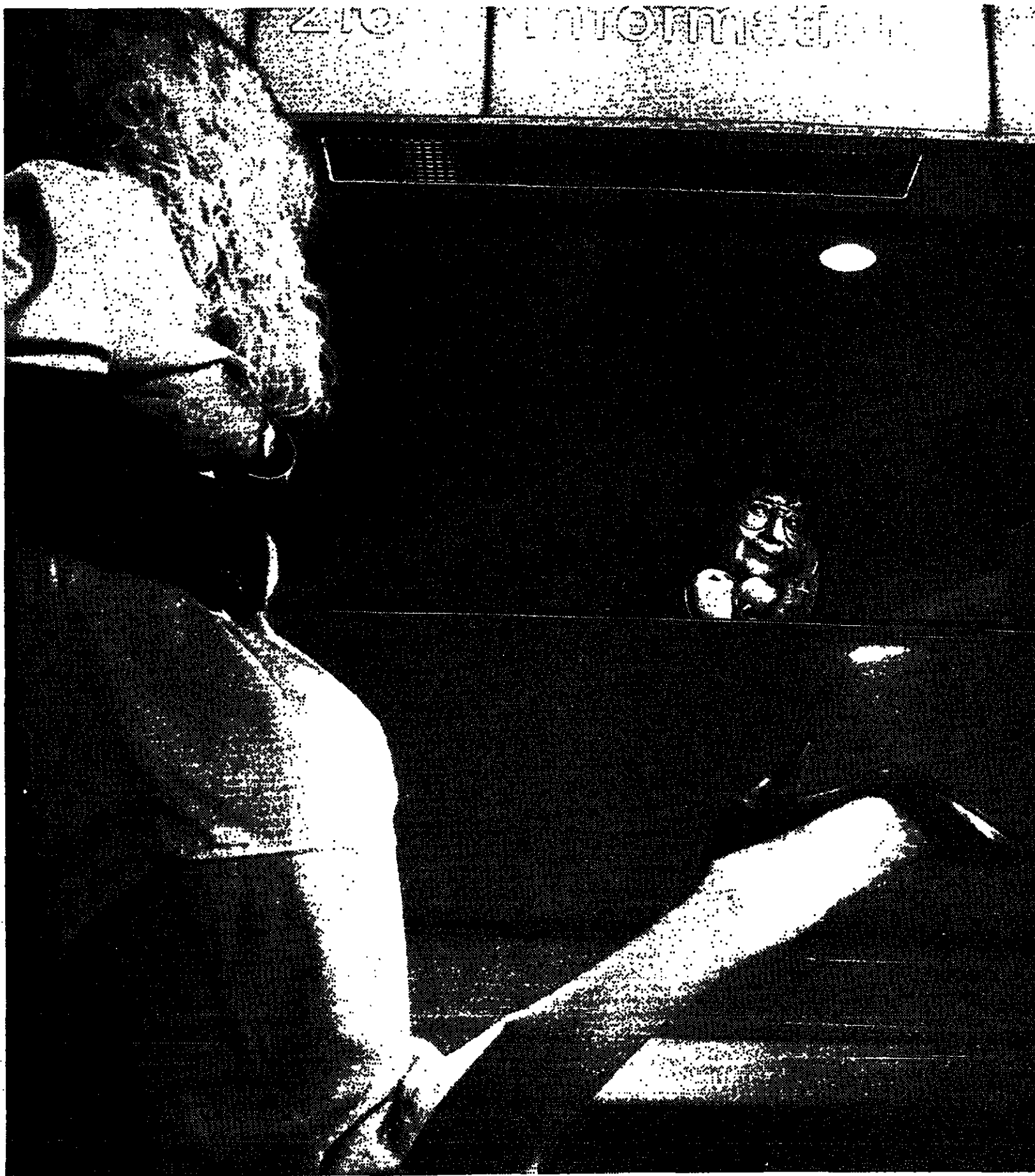
"Birth of the Blues" is genuinely bluesy. "Sweet Lorraine," backed by the Metronome All-stars (including Nat "King" Cole and Coleman Hawkins), earns Sinatra a top place on anybody's jazz poll as he alternately lays back and pushes the beat in perfect control.

Sinatra has a personal manner of glissing down into notes. He is always effortlessly in tune. He picks the right places to use vibrato, alternating its speed and range with taste. He was the first singer to

approach the microphone as an "instrument," to use it as a means to extend rather than merely amplify his voice. Ballads like "One For My Baby," "Nevertheless" and "Nancy" (" . . . summer could take some lessons from her") are constructed extended melodies with often surprising harmonies perfectly wedded to their subtle (and audible) lyrics.

Miles Davis recently said: "I'm blessed with the gift of perfect time. It's something you cannot learn." Sinatra is similarly blessed. He swings whatever the tempo or mood. Davis also said that he thought the secret of his success was "My tone. People immediately recognize me with one note. Like Frank Sinatra."

The more important the meeting, the more important the airline.


 Lufthansa

Da Vinci Is Sold For \$3.6 Million

New York Times Service

NEW YORK — Leonardo da Vinci's "Child With a Lamb," one of very few works by the artist in private hands, was sold Monday night for a record \$3.6 million at auction for an artwork by the artist, and the highest auction price in America for an Old Master drawing.

Leonardo's pen and brown-ink drawings date from 1500-1506. It was the most important work in the record-breaking sale of Rembrandt-through-Redon drawings at Sotheby's from the collection of John Ryan Gaines, a director of the National Gallery of Art in Washington and the son of Clarence Gaines, who founded the Gaines dog-food company.

DOONESBURY



Vol.	High	Low	Last	Chg.
IBM	110.00	109.00	109.00	-1.00
AT&T	45.00	44.50	44.50	-0.50
GE	35.00	34.50	34.50	-0.50
Amgen	10.00	9.50	9.50	-0.50
Amgen	10.00	9.50	9.50	-0.50

NYSE 4 a.m. volume	NYSE prev. close	NYSE 4 a.m. volume
185,340,000	185,144,000	185,340,000
185,340,000	185,144,000	185,340,000

High	Low	Close	Chg.
187.21	186.80	186.80	-0.41
187.21	186.80	186.80	-0.41

Tuesday's NYSE Closing
Via The Associated Press

Class	Prev.
Advanced	1.00
Declined	1.00
Unchanged	1.00
New High	1.00
New Low	1.00

Close	Chg.	Week Ago	Year Ago
1,234.56	+1.23	1,234.56	1,234.56

Vol.	High	Low	Last	Chg.
100	10.00	9.50	9.50	-0.50

Bonds	Close	Chg.
Utilities	102.50	+0.12
Industrials	102.50	+0.12

Class	Prev.
Advanced	1.00
Declined	1.00
Unchanged	1.00
New High	1.00
New Low	1.00

Buy	Sell	'86Y1
23,174	86,810	3,000
23,174	86,810	3,000

Open	High	Low	Last	Chg.
187.21	187.21	186.80	186.80	-0.41

High	Low	Close	Chg.
1,234.56	1,234.56	1,234.56	+1.23

Class	Prev.
Advanced	1.00
Declined	1.00
Unchanged	1.00
New High	1.00
New Low	1.00

High	Low	Close	Chg.
100.00	95.00	95.00	-5.00

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

12 Month High	Low	Stock	Div. Yld. PE	52 Wks High	Low	Close	Chg.
100	50	AAR	1.00 10	100	50	75	+25
100	50	ADT	1.00 10	100	50	75	+25
100	50	AGS	1.00 10	100	50	75	+25
100	50	AIR	1.00 10	100	50	75	+25
100	50	AMC	1.00 10	100	50	75	+25
100	50	AMR	1.00 10	100	50	75	+25
100	50	AMT	1.00 10	100	50	75	+25
100	50	AMX	1.00 10	100	50	75	+25
100	50	ANA	1.00 10	100	50	75	+25
100	50	AND	1.00 10	100	50	75	+25
100	50	ANR	1.00 10	100	50	75	+25
100	50	ANW	1.00 10	100	50	75	+25
100	50	ANX	1.00 10	100	50	75	+25
100	50	ANZ	1.00 10	100	50	75	+25
100	50	AOA	1.00 10	100	50	75	+25
100	50	AOL	1.00 10	100	50	75	+25
100	50	AON	1.00 10	100	50	75	+25
100	50	AOP	1.00 10	100	50	75	+25
100	50	AOR	1.00 10	100	50	75	+25
100	50	AOS	1.00 10	100	50	75	+25
100	50	AOT	1.00 10	100	50	75	+25
100	50	AOU	1.00 10	100	50	75	+25
100	50	AOV	1.00 10	100	50	75	+25
100	50	AOW	1.00 10	100	50	75	+25
100	50	AOX	1.00 10	100	50	75	+25
100	50	AOY	1.00 10	100	50	75	+25
100	50	AOZ	1.00 10	100	50	75	+25
100	50	AQA	1.00 10	100	50	75	+25
100	50	AQB	1.00 10	100	50	75	+25
100	50	AQC	1.00 10	100	50	75	+25
100	50	AQD	1.00 10	100	50	75	+25
100	50	AQE	1.00 10	100	50	75	+25
100	50	AQF	1.00 10	100	50	75	+25
100	50	AQG	1.00 10	100	50	75	+25
100	50	AQH	1.00 10	100	50	75	+25
100	50	AQI	1.00 10	100	50	75	+25
100	50	AQJ	1.00 10	100	50	75	+25
100	50	AQK	1.00 10	100	50	75	+25
100	50	AQL	1.00 10	100	50	75	+25
100	50	AQM	1.00 10	100	50	75	+25
100	50	AQN	1.00 10	100	50	75	+25
100	50	AQO	1.00 10	100	50	75	+25
100	50	AQP	1.00 10	100	50	75	+25
100	50	AQR	1.00 10	100	50	75	+25
100	50	AQS	1.00 10	100	50	75	+25
100	50	AQT	1.00 10	100	50	75	+25
100	50	AQU	1.00 10	100	50	75	+25
100	50	AQV	1.00 10	100	50	75	+25
100	50	AQW	1.00 10	100	50	75	+25
100	50	AQX	1.00 10	100	50	75	+25
100	50	AQY	1.00 10	100	50	75	+25
100	50	AQZ	1.00 10	100	50	75	+25
100	50	AQA	1.00 10	100	50	75	+25
100	50	AQB	1.00 10	100	50	75	+25
100	50	AQC	1.00 10	100	50	75	+25
100	50	AQD	1.00 10	100	50	75	+25
100	50	AQE	1.00 10	100	50	75	+25
100	50	AQF	1.00 10	100	50	75	+25
100	50	AQG	1.00 10	100	50	75	+25
100	50	AQH	1.00 10	100	50	75	+25
100	50	AQI	1.00 10	100	50	75	+25
100	50	AQJ	1.00 10	100	50	75	+25
100	50	AQK	1.00 10	100	50	75	+25
100	50	AQL	1.00 10	100	50	75	+25
100	50	AQM	1.00 10	100	50	75	+25
100	50	AQN	1.00 10	100	50	75	+25
100	50	AQO	1.00 10	100	50	75	+25
100	50	AQP	1.00 10	100	50	75	+25
100	50	AQR	1.00 10	100	50	75	+25
100	50	AQS	1.00 10	100	50	75	+25
100	50	AQT	1.00 10	100	50	75	+25
100	50	AQU	1.00 10	100	50	75	+25
100	50	AQV	1.00 10	100	50	75	+25
100	50	AQW	1.00 10	100	50	75	+25
100	50	AQX	1.00 10	100	50	75	+25
100	50	AQY	1.00 10	100	50	75	+25
100	50	AQZ	1.00 10	100	50	75	+25

Dow Jones Average Falls 43.31

NEW YORK — Share prices plunged in heavy trading on the New York Stock Exchange Tuesday, with the Dow Jones industrial average suffering its worst loss in more than two months.

The average, which fell 13.07 Monday, ended down 43.31 at 187.21, the worst loss since the Dow's record-setting drop of 86.61 points on Sept. 11.

Losers led gainers by a 4-1 ratio. Volume was about 185.68 million shares, up from 133.25 million Monday.

Analysts said the market buckled under from nervousness about the potential ramifications of the biggest insider-trading scandal in Wall Street's history.

Peter Furniss, vice president in equity trading at Smith Barney, Harris Upham said sell programs, prompted when futures went to a sharp discount to their underlying cash indexes, hit a market already depressed by anxiety aroused by the Ivan Boesky scandal.

Traders said reports that Mr. Boesky, an arbitrator, let his conversations with leading members of Wall Street investment houses be tape recorded for the government have raised the market's anxiety level.

The reports led to speculation that an investor who thinks he may have to pay a large fine may begin selling his stocks to raise cash.

Stocks that had advanced in recent weeks on takeover rumors were most affected by sell-offs Tuesday.

One such stock is Stop and Shop, which fell 5% to 51 1/4. Federated Stores fell 5 1/2 to 91 1/4 and USX, which was the most actively traded issue, lost 1/4 to 21 1/4, after a decline of 2 1/4 on Monday.

The steel company is being pursued by a New York investor, Carl C. Icahn.

"The market is in a state of shock as a result of the fear that Boesky's cooperation with the SEC will lead a trail to other names on Wall Street," Alan Ackerman of Herzfeld & Stern said.

He said, "There are a lot of unanswered questions about this situation and the rumors are running rampant."

He added that the possibility of a curb on "junk bond" financing could put a damper on a takeover-driven market. An SEC probe of Drexel Burnham Lambert Inc.'s junk bond financing prompted questions as to whether some transactions already under way could face problems.

Market nervousness about pending transactions that may involve junk bond financing by Drexel provided some of the impetus for the 7 1/4-point decline to 60 in Gillette's stock.

Last week, Gillette received a \$65-a-share merger bid from Revlon Group. Revlon's chairman, Ronald Perelman, is a well-known client of Drexel.

Goodyear, which is fighting a takeover bid by Sir James Goldsmith and was the subject of a House Judiciary Committee hearing Tuesday, fell 1 1/2 to 45.

Herzfeld & Stern's Mr. Ackerman said there was some feeling in the market that the insider-trading case "will lead to a cleansing of the market and a return, after a time, to a normal market, which means value orientations and recognition of earnings."

GTE, which went ex-dividend Tuesday, fell 2 1/2 to 58 1/2 in active trading.

(Reuters, UPI)

12 Month High	Low	Stock	Div. Yld. PE	52 Wks High	Low	Close	Chg.
100	50	AA	1.00 10	100	50	75	+25
100	50	AB	1.00 10	100	50	75	+25
100	50	AC	1.00 10	100	50	75	+25
100	50	AD	1.00 10	100	50	75	+25
100	50	AE	1.00 10	100	50	75	+25
100	50	AF	1.00 10	100	50	75	+25
100	50	AG	1.00 10	100	50	75	+25
100	50	AH	1.00 10	100	50	75	+25
100	50	AI	1.00 10	100	50	75	+25
100	50	AJ	1.00 10	100	50	75	+25
100	50	AK	1.00 10	100	50	75	+25
100	50	AL	1.00 10	100	50	75	+25
100	50	AM	1.00 10	100	50	75	+25
100	50	AN	1.00 10	100	50	75	+25
100	50	AO	1.00 10	100	50	75	+25
100	50	AP	1.00 10	100	50	75	+25
100	50	AQ	1.00 10	100	50	75	+25
100	50	AR	1.00 10	100	50	75	+25
100	50	AS	1.00 10	100	50	75	+25
100	50	AT	1.00 10	100	50	75	+25
100	50	AU	1.00 10	100	50	75	+25
100	50	AV	1.00 10	100	50	75	+25
100	50	AW	1.00 10	100	50	75	+25
100	50	AX	1.00 10	100	50	75	+25
100	50	AY	1.00 10	100	50	75	+25
100	50	AZ	1.00 10	100	50	75	+25
100	50	BA	1.00 10	100	50	75	+25
100	50	BB	1.00 10	100	50	75	+25
100	50	BC	1.00 10	100	50	75	+25
100	50	BD	1.00 10	100	50	75	+25
100	50	BE	1.00 10	100	50	75	+25
100	50	BF	1.00 10	100	50	75	+25
100	50	BG	1.00 10	100	50	75	+25
100	50	BH	1.00 10	100	50	75	+25
100	50	BI	1.00 10	100	50	75	+25
100	50	BJ	1.00 10	100	50	75	+25
100	50	BK	1.00 10	100	50	75	+25
100	50	BL	1.00 10	100	50	75	+25
100	50	BM	1.00 10	100	50	75	+25
100	50	BN	1.00 10	100	50	75	+25
100	50	BO	1.00 10	100	50	75	+25
100	50	BP	1.00 10	100	50	75	+25
100	50	BQ	1.00 10	100	50	75	+25
100	50	BR	1.00 10	100	50	75	+25
100	50	BS	1.00 10	100	50	75	+25
100	50	BT	1.00 10	100	50	75	+25
100	50	BV	1.00 10	100	50	75	+25
100	50	BW	1.00 10	100	50	75	+25
100	50	BX	1.00 10	100	50	75	+25
100	50	BY	1.00 10	100	50	75	+25
100	50	BZ	1.00 10	100	50</		

Tuesday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2

(Continued)

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2
11 1/2	10 1/2	Amgen	1.50 10	115 1/2	112 1/2	114 1/2	+2 1/2

U.S. Futures

Via The Associated Press

Nov. 18

Grains

WHEAT (CBT)	1200 bu minimum	Dec 1986	1987	1988
Dec 1986	2.10	2.10	2.10	2.10
1987	2.10	2.10	2.10	2.10
1988	2.10	2.10	2.10	2.10

Meats

CATTLE (CME)	4000 lb. cwt	Dec 1986	1987	1988
Dec 1986	70.00	70.00	70.00	70.00
1987	70.00	70.00	70.00	70.00
1988	70.00	70.00	70.00	70.00

Currency Options

PHILADELPHIA EXCHANGE	Option	Price	Call	Put
Dec 1986	1.00	1.00	1.00	1.00
1987	1.00	1.00	1.00	1.00
1988	1.00	1.00	1.00	1.00

Stock Indexes

SP COMP. INDEX (CME)	Dec 1986	1987	1988
Dec 1986	280.00	280.00	280.00
1987	280.00	280.00	280.00
1988	280.00	280.00	280.00

Commodity Indexes

Moody's	Dec 1986	1987	1988
Dec 1986	100.00	100.00	100.00
1987	100.00	100.00	100.00
1988	100.00	100.00	100.00

Market Guide

NYSE: New York Stock Exchange
AMEX: American Stock Exchange
OTC: Over-the-counter
COMEX: Commodity Exchange
NYMEX: New York Mercantile Exchange
CBOT: Chicago Board of Trade
CFE: Chicago Futures Exchange
ICE: International Commodity Exchange
NYBOT: New York Board of Trade
NYFEX: New York Futures Exchange

Food

Nov. 18

COFFEE (NYMEX)

37,500 lb. cwt	Dec 1986	1987	1988
Dec 1986	1.00	1.00	1.00
1987	1.00	1.00	1.00
1988	1.00	1.00	1.00

SOYBEAN MEAL (CBT)

4000 lb. cwt	Dec 1986	1987	1988
Dec 1986	1.00	1.00	1.00
1987	1.00	1.00	1.00
1988	1.00	1.00	1.00

SOYBEAN OIL (CBT)

42,000 lb. cwt	Dec 1986	1987	1988
Dec 1986	1.00	1.00	1.00
1987	1.00	1.00	1.00
1988	1.00	1.00	1.00

PLATINUM (NYMEX)

500 troy oz	Dec 1986	1987	1988
Dec 1986	1.00	1.00	1.00
1987	1.00	1.00	1.00
1988	1.00	1.00	1.00

GOLD COMMODITY

100 troy oz	Dec 1986	1987	1988
Dec 1986	1.00	1.00	1.00
1987	1.00	1.00	1.00
1988			

BUSINESS ROUNDUP

Siemens Estimates Net Will Fall 2% for Year

MUNICH — Siemens AG estimated Tuesday that its world group net profit for the 1986 fiscal year would be 1.5 billion Deutsche marks (\$750 million), down about 2 percent from 1.53 billion DM in 1985.

F-20 Project Written Off By Northrop

LOS ANGELES — Northrop Corp., which recently failed to sell its F-20 fighter to the U.S. Air Force, said that it would halt spending on the plane and write off about \$250 million on the program this year.

Northrop's announcement Monday was no surprise after the air force announced on Oct. 31 that it would modify General Dynamics' F-16 rather than buy 270 of the F-20s, known as Tigersharks.

Northrop spent four years and \$1.2 billion in an effort to produce and sell the Tigershark, making it the most expensive privately financed military plane ever built.

Northrop said earlier that it would write off about \$200 million on the project. It said Monday that it would take the additional provisions in the fourth quarter to end its contracts with subcontractors and suppliers.

Thomas V. Jones, Northrop's chairman and chief executive, said the U.S. rejection of the bid precluded sales to other countries.

Northrop had reported \$130.7 million in F-20 costs for the first nine months of this year, leaving a write-off of \$119.3 million for the fourth quarter. All expenses have been written off as incurred.

A Bumper Crop of Tea Is Expected in Uganda

KAMPALA, Uganda — Uganda expects a bumper crop of 7,200 metric tons (8,019 short tons) of processed tea this year, an increase of 1,700 metric tons from 1985, an official of the Uganda Tea Authority said Tuesday.

He said 4,975 metric tons would be exported this year, compared with 1,244 in 1985. Tea production has risen each year since 1980, when output was 1,533 metric tons.

Saturn Corp. Scales Back Its Plans for New Model

By John Holusha New York Times Service

SPRING HILL, Tennessee — Saturn Corp. cars probably will be sold only in California and other areas with high import penetration when they are first introduced in the early 1990s, officials of the General Motors Corp. subsidiary said.

Saturn officials also said they still expected the first Saturn model to roll off the assembly line here by mid-1990, but they said cars would not be available in volume until the following year because of a planned slow increase in the production rate.

Speaking at the construction site of the Saturn plant, Richard G. Lefauve, Saturn's president, confirmed Monday that the project would be smaller, less automated, less integrated, and involve less investment than originally planned.

One of the reasons for the change was the cost of the project, which is now expected to cost about \$1.7 billion and will be capable of producing 250,000 compact cars a year. This is half the original projected output and about half the \$3.5-billion investment cited when Saturn was announced as a new GM subsidiary in January 1985.

Mr. Lefauve denied that the scaling back of Saturn was related to GM's recent lackluster financial performance. Instead, he said, the more modest beginning will help preserve the "small, family-type atmosphere" that GM and the United Automobile Workers want at Saturn.

Nevertheless, there still seems to be some indecision over exactly what the Saturn vehicles will be and how they will be made. Construction officials said they would know more details about the factory to begin putting it up until spring.

Jim Lain, an official of the union, said that since legal challenges to the preliminary agreement between Saturn and the UAW had been rejected, the company would begin hiring its first 30 union workers next week.

In an unusual display of cooperation between union and management, prospective employees will be screened by a joint union-management committee for suitability. About 160 union workers will be hired by next September, Mr. Lain said, and they will undergo 18 months to two years of training at Saturn's administrative headquarters in Troy, Michigan. Each production worker is to get three months of assembly training. This system is used by Japanese automakers.

Interstate Presses On With Its Bid For BofA

New York Times Service

SAN FRANCISCO — First Interstate Bancorp has decided to press ahead in its bid to acquire the ailing BankAmerica Corp.

The decision by First Interstate's board is likely to increase the pressure on BankAmerica to accept or reject First Interstate's \$3.4-billion bid on its merits. It is also expected to raise the level of hostility between the two companies, although a hostile takeover battle might not erupt immediately.

BankAmerica, in an effort to deflect the offer without rejecting it outright, had asked First Interstate to withdraw to give BankAmerica more time to study its options. But the First Interstate board, meeting in Los Angeles Monday, voted unanimously not to withdraw.

It is believed that First Interstate is also taking other action to try to increase the pressure on BankAmerica to seriously consider the merger proposal.

Sources had said that First Interstate might threaten more hostile action, such as a tender offer or proxy fight to unseat BankAmerica's board.

First Interstate's statement said, "All directors and management remain convinced that a combination of the two companies provides advantages to overwhelming to all parties that we would be remiss in our responsibility if we did not pursue every prudent measure to bring about such a merger."

"Consequently, we are not withdrawing our Oct. 28 proposal for a merger because we feel that it is in the best interests of the shareholders of both companies for that proposal to receive a proper evaluation and be acted upon."

First Interstate has proposed to buy BankAmerica for securities that First Interstate values at \$22 a share, or a total of \$3.4 billion. The combination of the two California banks would be the largest banking merger in history and create a giant that would rival New York-based Citicorp as the largest banking company in the United States.

Deutsche Bank AG said Tuesday to be considering a bid for BankAmerica Corp.'s Italian unit, Banca d'America e d'Italia. Reuters reported from Milan.

An official of the Italian concern, who asked not to be named, said outside auditors hired by Deutsche Bank were visiting the Milan-based bank's operations in Naples Tuesday.

BUSINESS PEOPLE

Petróleos de Venezuela Picks Chacín

By Arthur Higbee International Herald Tribune

Juan Chacín Guzmán has been named president of the state oil company Petróleos de Venezuela, one of the world's 50 largest companies, as the Venezuelan government has announced.

Mr. Chacín, who had been vice president, replaces Brigido Natera, who is retiring. The appointment is effective Dec. 1.

Petróleos de Venezuela controls all the country's oil assets and sales and has significant investments in the United States, West Germany and Sweden.

In September, the company completed the purchase of 50 percent of the assets of Citgo Petroleum Corp., based in Tulsa, Oklahoma, and it also plans to buy a 50-percent stake in a Champlin Oil refinery in Corpus Christi, Texas.

Petróleos de Venezuela also has purchased half of Sweden's Nynas Petroleum, an affiliate of the Axel Johnson group, and has major investments in West Germany with Verbis Oel.

Mr. Chacín, who is in his fifties, is a 1955 graduate of Southern Methodist University in Dallas. He has worked for 33 years in the local petroleum industry and has been president of various Petróleos de Venezuela affiliates since the Venezuelan oil industry was nationalized in 1976.

Fortune magazine last year named Petróleos de Venezuela among the leading 50 companies in the world in sales.

The International Securities Regulatory Organization, which is merging with the London Stock Exchange to form the International Securities Exchange for the United Kingdom and the Republic of Ireland, has announced that its chief executive, Jonathan Agnew, 45, will become executive chairman of Kleinwort Benson Securities Ltd., a subsidiary of Kleinwort Benson Lonsdale PLC. An ISRO spokesman said Mr. Agnew had always intended to make such a move once a self-regulatory organization for London's international securities market was well established.

The French National Employers Association's executive council has nominated François Perigot, 60, managing director of the Amsterdam bank, a subsidiary of Morgan Guaranty Trust Co. of New York. Mr. Perigot will succeed Yvon Gatz, 61, president since 1981, who is stepping down to resume full-time direction of Radial, manufacturer of electronics components.

But Mr. Perigot, although nominated by 26 votes to 9, still faces a challenge when the Patronat's general assembly votes Dec. 16. Yvon Chotard, 65, also is running for the presidency. Mr. Chotard resigned as Patronat vice president in March. French business sources said at the time that he resigned in part because he expected that the new conservative French government would be harder on labor unions than the outgoing Socialist one.

Pan-Electric Industries Ltd.'s former financial director, Tan Kok Liang, was freed in Singapore this week after winning his high court appeal of a 15-month jail sentence for criminal breach of trust in connection with the failed conglomerate. The court reduced Mr. Tan's sentence to nine months and ordered his release. He had served six months.

Morgan Bank Nederland NV has announced that Edward L. Hoyt has been named president and managing director of the Amsterdam bank, a subsidiary of Morgan Guaranty Trust Co. of New York. Mr. Hoyt, 50, succeeds Andrew Peacock, now with Morgan Guaranty Trust in London. Mr. Hoyt had previously been in charge of corporate finance at Morgan Guaranty's main New York branch, for handling New York-based corporate business.

DM after rising 19 percent the year before.

These fluctuations in sales were mainly due to irregular bookings of power-station orders, the electrical group said. Three such orders were booked in the 1985 fiscal year, none in the 1986 one.

Excluding power stations, sales rose 2 percent, including an 11-percent rise in domestic sales, the company said. It added that it expected a strong rise in sales in the current year.

World orders fell to 50.2 billion DM from 51.8 billion, with domestic orders rising to 24.3 billion from 25.9 billion DM from 27.9 billion because of the lower dollar, but rose in volume terms.

Nixdorf Net at Record

Nixdorf AG, the West German computer company, said Tuesday that on the basis of performance in the first nine months, when sales rose 17 percent above year-ago figures, net profit for 1986 should touch record levels, United Press International reported from Frankfurt.

Klaus Luft, the chairman, also announced that Nixdorf, with the help of an issuing consortium led by Deutsche Bank AG, was floating a 500-million-DM Eurobond with common stock options.

The 6.25-percent, 7-year Eurobond, initially priced at 145 percent, is being floated by Nixdorf's Netherlands-based financing subsidiary.

COMPANY NOTES

American Telephone & Telegraph Co. said it had asked the Federal Communications Commission to let it reduce the price of interstate long-distance telephone service by 8.1 percent on average, beginning Jan. 1. In a filing Monday, AT&T said the proposed rate cuts would save consumers about \$1.2 billion a year.

Bacardi Corp., the U.S. spirits-marketing concern, said it started a cash tender offer for up to 2.25 million of its own common shares, equivalent to about 11 percent of the shares outstanding, at \$41 apiece. The offer depends upon enough shares being tendered so that upon completion of the offer there will be less than 300 company shareholders of record, Bacardi said.

Eastman Kodak Co. said it would spend \$95 million to buy Fox Photo Inc., a Texas chain of film processing laboratories. Kodak said the offer would be conditional on acquiring at least two-thirds of Fox, based in San Antonio, Texas, earned \$3.2 million, \$186 million in sales in fiscal 1986. The company operates 20 wholesale photo labs and 204 mini-labs in 23 states.

ICI Australia Ltd. said its net income in the fiscal year ended Sept. 30 rose 18.6 percent from a year earlier to \$9.3 million Australian dollars (about \$4.4 million U.S. dollars), reflecting the benefits of higher margins and cost-cutting. The chemicals and plastics group is 62.4-percent owned by Imperial Chemical Industries PLC.

Italia Oggi, a new Italian financial daily, began publishing Tuesday. The paper, owned and published by Ispoa SPA, becomes Italy's second economic daily.

The other is Il Sole-24 Ore, which is backed by the Italian Confederation of Private Manufacturers.

Manufacturers Hanover Corp. said it has applied to the U.S. Federal Reserve Board to expand its investment banking activities. Manufacturers, the fourth largest U.S. bank group and parent of Manufacturers Hanover Trust Co., said it wanted to start underwriting and dealing in certain securities, including commercial paper and municipal revenue obligations, via separate nonbanking units.

Pacific Dunlop Ltd. of Australia said it reached a substantial agreement for the sale of its Olympic Hunt & Baird unit to McDonnell Dowell Group Ltd. for an undisclosed amount. McDonnell Dowell makes and installs insulated panels for coolroom, refrigeration and architectural cladding applications.

People Express Inc. said it had received the necessary approval of its creditors for a change in the airline's debt structure. The approval, by 88.3 percent of the airline's debt holders, clears the way for it to receive a crucial \$15-million payment from Texas Air Corp., which has agreed to acquire People Express.

Sanyo Securities Co. will acquire a 14.6-percent stake in Spear Financial Services for \$3.5 million. SFS is the U.S. holding company and sole owner of Spear Securities Inc., a medium-sized U.S. securities firm. The two firms will cooperate in developing a computerized trading system and a communications system to exchange real-time stock information, a Sanyo spokesman said.

Williams Cos., a diversified U.S. energy and consumer-products concern, said it expected to sell its oil and gas properties for cash before year-end, resulting in a gain for the fourth quarter and year.

PLACEMENT: Recycling Bosses

(Continued from first finance page) they accept. Others, such as THine, say they will take just about anybody, but charge more if the manager has problems.

Because the use of an outplacement service is expensive, it is to a manager's advantage to have the service included in his termination package. The larger international outplacement firms such as Drake Beam Morin and THine Consulting accept only company-sponsored individuals.

The standard fee across Europe for company-sponsored individuals is 15 percent of the manager's last salary.

Some personnel experts argue that firms that derive most of their income from companies are more reliable and effective than firms that accept business from individual laid-off managers.

"I tend to prefer company sponsorship because individuals on their own are in a vulnerable state when they look for outplacement service," said Mr. Burrow, author of the guide to outplacement firms.

He continued: "Outplacement firms which get the bulk of their income from corporations are obviously in the repeat business. Major corporations will want an ongoing relationship with the outplacement firms and will monitor their performance. The firms who target individuals see a massive market out there and, in the end, it doesn't matter if a bloke doesn't get a job."

According to personnel experts and outplacement firms, managers on their own should ask questions of the corporate clients of an outplacement firm whose services they are considering. The unemployed manager should also meet the counselor who would be in charge of his case.

Consultex estimates total European outplacement business as being worth \$35 million a year.

The Carlyle Hotel Madison Avenue at 78th Street New York 10021 Cable The Carlyle New York International Telex 620692 Telephone 212-744-1600 A member of the Sharp Group since 1967

Rothschilds International Money Funds The efficient alternative to a deposit account in any major currency. For further information and the current prospectuses, please complete and return this coupon to: Robin Fuller, N M Rothschild Asset Management (C.I.) Limited, P.O. Box 242, St. Julian's Court, St. Peter Port, Guernsey, Channel Islands. Telephone: Guernsey (0481) 26741.

Net Asset Value on November 6, 1986 Pacific Selection Fund N.V. U.S.\$0.26 per U.S.\$1 unit. Asia Pacific Growth Fund Weekly net asset value on 14-11-1986 US \$26.07 Listed on the Amsterdam Stock Exchange

Deutsche Bank Finance N.V. Curaçao, Netherlands Antilles unconditionally and irrevocably guaranteed by Deutsche Bank, Aktiengesellschaft Frankfurt am Main, Federal Republic of Germany DM 400,000,000 6 % Bearer Notes of 1986/1992 with Currency Warrants attached Offering Price: 112 % Interest: 6 % p.a., payable annually on January 2 beginning on January 2, 1988 Repayment: January 2, 1992 at par each note of DM 5,000 will be issued with two warrants entitling the holder from December 1, 1986 until November 4, 1988 inclusive to subscribe to a total of U.S. \$ 2,500 at a rate of DM 2.06 per U.S. \$ Listing: Frankfurt Stock Exchange (Notes and Warrants)

Deutsche Bank Aktiengesellschaft DM 300,000,000 6 % Bearer Notes of 1986/1992 Offering Price: 100 1/4 % Interest: 6 % p.a., payable annually on January 2 beginning on January 2, 1988 Repayment: January 2, 1992 at par each note of DM 5,000 will be issued with two warrants entitling the holder from December 1, 1986 until November 4, 1988 inclusive to subscribe to a total of U.S. \$ 2,500 at a rate of DM 2.06 per U.S. \$ Listing: Frankfurt Stock Exchange

ADVERTISMENT INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 18 Nov. 1986. Table listing various international funds with their respective net asset values and performance metrics.

Be sure that your fund is listed in this space daily. Telex Matthew GREENE of 613595F for further information.

CURRENCY MARKETS

Dollar Ends Lower in New York

NEW YORK — The dollar ended lower Tuesday in New York in quiet trading after finishing mixed in Europe.

Dealers said market participants in Europe and the United States were awaiting revised U.S. gross national product figures to be published Wednesday.

It was unclear whether an expected upward revision in third-quarter GNP — which measures the total output of goods and services including income from foreign investments — would push the dollar up, or whether the currency's firmer tone this week meant the market had already discounted a good figure.

"With a holiday in Frankfurt [on Wednesday] and the GNP coming out, the market is very cautious," said Daniel Holland, vice president of Discount Corp. of New York. Mr. Holland said the market was

anticipating a revised GNP report showing economic growth in the third quarter between 2.5 percent and 3.2 percent.

"Anywhere in that range would be good for the dollar," he said. "Anything less could be a bit of a shock."

The dollar ended in New York at 2.0113 Deutsche marks, down from 2.0170 DM.

European dealers said position-taking by West German operators before the holiday in West Germany pushed the dollar up early in the day. In London, the dollar closed at 2.0125 DM, down from 2.0135 DM on Monday.

Other New York closing rates for the dollar were 6.5863 French francs, down from 6.6000 francs; 1.6745 Swiss francs, down from 1.6773 francs, and 162.75 yen, down from 162.95 yen.

The British pound had a poor day, closing in New York at \$1.4225, down from \$1.4230 on Monday, and in London, at \$1.4240, down from \$1.4285.

"The market is confused on sterling at the moment," one dealer with a British bank said.

London traders reported some large corporate selling of dollars in the United States to cover stock losses and because of nervousness about U.S. stock markets reaction to insider-trading reports.

On the dollar's longer term trend, dealers said pre-Christmas demand for the currency could cause it to rise to 2.10 or 2.15 DM before the holidays.

In earlier European trading, the dollar was fixed in Frankfurt, at 2.0198 DM, up from 2.0096 DM at Monday's fixing, and in Paris at 6.6080 French francs, up from 6.5815 francs.

It closed in Zurich at 1.6765 Swiss francs, up slightly from 1.6755 francs on Monday.

THE EUROMARKETS

Borrowers Turn to Canadian-Dollar Sector

LONDON — Prices closed generally unchanged to slightly higher Tuesday as three borrowers turned to the still sluggish Canadian-dollar sector to launch new issues.

"As trading in most of the Eurobond market continues thin and featureless, a feeling that Canadian-dollar bonds may be poised for strong gains is leading borrowers and investors to take another look at the sector," dealers said.

However, many believe that Tuesday's new issues — for General Motors of Canada, Caisse Nationale des Telecommunications and Household Finance Corp. Ltd. — could strain the limits of current demand.

A firming trend for domestic Canadian bonds, which traders in Toronto have attributed to overseas buying, appears to be at the root of increasing investor and borrower interest in the Canadian sector of the Eurobond market.

While the domestic trend is boosting expectations of an imminent decline in Canadian interest rates, an unusually wide yield spread over U.S. domestic bonds

should provide some support for a rise in the currency itself, dealers said.

But slow sales of recent new Canadian-denominated issues have been weighing on the sector. Many of the new bonds, for example, continue, to trade outside their total fees.

GM of Canada's 100-million Canadian-dollar issue of 9 3/4 percent, five-year bonds received only lukewarm demand, dealers said. It closed well outside its total fees of 1 1/2 percent, at 2 1/2 percent bid.

Dealers said the issue's very tight pricing, to yield about 49 basis points over comparable Government of Canada bonds at its launch, may not be wide enough to attract significant European demand. However, some said good Canadian demand could be expected for the issue.

It is the first by the company proper, one of the largest in Canada, which has previously tapped the market only through finance affiliates.

Wider spreads over Canadian equivalents generated better demand for Caisse Nationale des

Telecommunications' 100-million-dollar, 9 3/4 percent bond due 1994, and HFC's 75-million-dollar issue of 10 percent, five-year bonds. Both issues ended the session inside their total fees, dealers said.

In the U.S.-dollar sector, meanwhile, Nippon Credit Bank Curacao Finance NV's \$100-million issue of 7 3/4 percent, five-year bonds saw strong demand, dealers said. The issue closed inside its total fees.

Generally, U.S.-dollar straight debt unchanged to about 1/2 point firmer in quiet trading, while floating-rate notes were steady with a firm undertone.

In other sectors, sterling-straight issues eased slightly while ECU bonds were slightly firmer. In the latter sector, the Finnish steel company Rautaruukki Oy launched a 50-million-ECU, 7 3/4 percent bond due 1993.

Dealers said that many investors reduced their holdings ahead of Wednesday's scheduled release of revised U.S. third-quarter gross national product figures, capping prices throughout the day.

Table with 3 columns: Currency, T.M., Mon. Exchange rates for Deutsche mark, Japanese yen, Swiss franc, French franc.

BOESKY: Tape Recordings

(Continued from Page 1) attorney's office in Manhattan said.

Dennis B. Levine, who admitted providing tips to Mr. Boesky and who was the first to be arrested in the case last May, pleaded guilty to four counts, and other figures who have pleaded have been charged with two felony counts each.

The sources also said Monday that, in return for his tips about pending takeovers, Mr. Boesky offered in mid-April to make Mr. Levine, who had been a mergers and acquisitions executive at Drexel, president of his firm, Ivan F. Boesky & Co.

The SEC had said on Friday that Mr. Levine was offered millions of dollars by Mr. Boesky, but that nothing was paid.

Securities laws forbid individuals with privileged access to information about important corporate developments, such as earnings or takeovers, to make stock trades that take advantage of the information before it is disclosed publicly.

One lawyer said that the government was investigating the possibility of a conspiracy between merger specialists at Wall Street firms and professional stock traders, known as arbitrageurs. Raiders with a substantial holding of stock in a target company may have leaked their intentions to the arbitrageurs. The idea, he added, was to get traders to buy the same stock, thus indirectly putting a considerable amount of that stock in the hands of the raider. Such traders would be buying on the basis of insider information.

Mr. Boesky's name was first provided to the SEC by Mr. Levine at the end of May, according to several sources. At that time, Mr. Levine was negotiating his settlement with the government.

DUSENBERRY: His Special Touch in Advertising New Polishes Apple

(Continued from first finance page) by saying, "It's on again," said John F. Bergin, the vice chairman of McCann-Erickson Worldwide.

Mr. Bergin ought to know, as chief of the Coca-Cola account, he competed head-to-head with Mr. Dusenberry for many years.

BDDO's creative chief has made a name for himself in Washington and Hollywood, too.

He was one of the key forces behind President Ronald Reagan's advertising in the 1984 campaign. And he writes scripts for movies that actually get produced: "Hail to the Chief," a political satire with overtones of Watergate that was released in 1973 to good reviews, and "The Natural," a screen adaptation of Bernard Malamud's baseball fable, starring Robert Redford, that came out in 1984.

The "Natural" fared less well with critics, some of whom complained that it struck out by imposing an upbeat ending on Mr. Malamud's story.

Undeterred, Mr. Dusenberry's original script in circulation. He has his critics on Madison Avenue, too. Some in the industry say that his work relies too heavily on stars, lacks originality and does little to promote the attributes of the products it is supposed to sell.

"It's like a chocolate that looks great, but when you bite into it, it's hollow," said a rival creative executive.

But that is a minority view. In June, Mr. Dusenberry, who has been BDDO's executive creative director since 1980, was named chairman and chief creative officer of Batten, Barton, Durstine & Osborn, the agency's flagship domestic division.

The change was mostly titular, reflecting a realignment of BDDO management resulting from the merger of BDDO, Doyle Dane Bernbach and Needham Harper Worldwide.

The merger, which places the three agencies under a holding company called Omnicom, is part of an industry trend toward bigger — a direction that Mr. Dusenberry, unlike some industry leaders, defends as compatible with creativity.

Graying and charismatic, with a ready smile, the 50-year-old bachelor — he lives with a woman and her young son on the Upper East Side — is said by some colleagues to be a workaholic and a difficult

boss. His supporters say he is simply a perfectionist who, despite more than 25 years in advertising, is still passionate about the business.

To get the quality he wants — and help win BDDO 72 major advertising awards last year — Mr. Dusenberry hires the most sought-after and highest-priced directors, uses the latest cinematic techniques and tries out special effects worthy of Stephen Spielberg or George Lucas.

One Pepsi commercial, called "Archaeology," won the industry's most-coveted award, the top advertising prize at the International Film Festival at Cannes, and a good portion of top honors in other competitions. The spot shows a 23rd-century teacher leading a class through the ruins of a 20th-century home. The class comes across a Coke bottle, and asks what it is. "I don't know," answers the puzzled teacher, as the scene pulls back to reveal a world full of logos for Pepsi, "the choice of a new generation."

Mr. Dusenberry's commercials, especially for Pepsi, sometimes take on the proportions of a movie or a Las Vegas show. They star big names like Lionel Richie, Don Johnson, Michael J. Fox, even Germaine Ferraro, the former Democratic vice-presidential candidate.

A Dusenberry commercial always has some twist or surprise or dramatic moment — the young kid dancing in the street in a Pepsi spot, for instance, who unexpectedly backs into his idol, Michael Jackson.

Most of all, Mr. Dusenberry's work, whether directly his own or that of the staff of 200 writers and art directors he oversees, focuses more on the people who use a product and on the benefits or enjoyment it brings, than on the product itself.

"I'm always going to be searching for emotion," he said. "In an age when most products aren't very different, the difference is often in the way people feel about the product."

The oldest of six children of a Brooklyn cab driver and his wife, Mr. Dusenberry grew up in Flushing. He attended Midwood High School, where he excelled in football and baseball and where his schoolmates included Woody Allen and Erich Segal.

If he'd had his way, he would have become a professional baseball player, but his height opposed it: He never topped 5 foot 6 inches (1.68 meters). Even his college baseball career was thwarted when he had to leave Emory & Henry College in Emory, Virginia, after a semester because the athletic program folded, and so did his scholarship.

Unable to pay the tuition, Mr. Dusenberry returned to New York and tried his luck first as a professional singer, then as a disc jockey.

After taking voice lessons to erase a thick Brooklyn accent (it never completely disappeared), he went to a small radio station in Virginia. It was there that he had his first advertising assignment — writing "dollar a holler" spots for local merchants — and discovered he liked the trade.

He worked on his copywriting skills and in 1962, got his big break: a junior copywriter position at BDDO. In a couple of years he was working on major accounts and in 1965 became the youngest vice president in the agency's history. Except for seven years when he ran his own shop, he has remained at BDDO.

It was for Pepsi that Mr. Dusenberry, in the mid-1960s, helped create a genre of commercial that came to be known as lifestyle advertising — celebrating the life of the user instead of the product.

He showed youthful, exuberant people having fun instead of merely reciting product attributes. The feeling was strengthened by the commercials' visual style — rapid cutting and eye-catching images — and catchy jingles, a form that presaged today's music videos.

It became clear that it wasn't important that the viewer read every scene," Mr. Dusenberry said, "just that they get the impact of the message."

Get the message they did, as Pepsi steadily narrowed the gap with Coke, especially among its teen-age target audience. But as lifestyle advertising proliferated almost to the point of cliché, Pepsi and Mr. Dusenberry switched to what they call "big idea" advertising. That means big productions and big stars — particularly Michael Jackson, who is being paid \$10 million for his services on a new campaign.

This year a good portion of his time has been focused on BDDO's

newest big client, Apple. The account reunites him with John Sculley, who was Pepsi-Cola's president before he took over the computer company — a connection that helped BDDO win the account.

The assignment is to do what Chiat/Day never did: establish the Macintosh among corporate customers used to IBM while maintaining the entrepreneurial image that has made Apple popular in the home-user market.

The campaign developed by BDDO is classic Dusenberry, with the emphasis on the people using the product rather than on the hardware or specific applications.

TAIWAN: Yielding Slowly

(Continued from first finance page) States was interfering in Taiwan's internal affairs.

"They have very successfully wrapped themselves in the flag over this," a foreign observer said. At the same time, Taiwan's government has faced mounting pressure to compromise from local business leaders, particularly those concerned that the United States may single out their industries for retaliation. Analysts believe the government is eager to defuse the issue before it faces legislative elections next month.

Taiwan derives about 18 percent of its official revenues from import duties, several times the percentage in the United States and most European countries. Although the figure is declining, an inefficient tax system is hampering the shift that Taiwan is attempting to make toward greater reliance on individual and value-added taxes.

President Chiang Ching-kuo and other senior officials have repeatedly stressed their commitment to the liberalization of Taiwan's economy, chiefly to maintain the country's international competitiveness. But observers question whether they can effectively motivate a bureaucracy more concerned with local influence and such domestic issues as employment.

"As trade issues are debated, you can get a general agreement at the level of policy," a U.S. trade source said. "But the actual maintenance of barriers is another matter. That happens elsewhere."

Tuesday's OTC Prices. NASDAQ prices as of 4 p.m. New York time. Via The Associated Press.

Table with 4 columns: 12 Month High/Low, Stock, Div. Yld., Sales in Millions, High/Low, 4 P.M. Chg. Lists various stocks like ADC, AIG, AIT, etc.

Table with 4 columns: 12 Month High/Low, Stock, Div. Yld., Sales in Millions, High/Low, 4 P.M. Chg. Lists various stocks like AIG, AIT, ALC, etc.

Table with 4 columns: 12 Month High/Low, Stock, Div. Yld., Sales in Millions, High/Low, 4 P.M. Chg. Lists various stocks like AIG, AIT, ALC, etc.

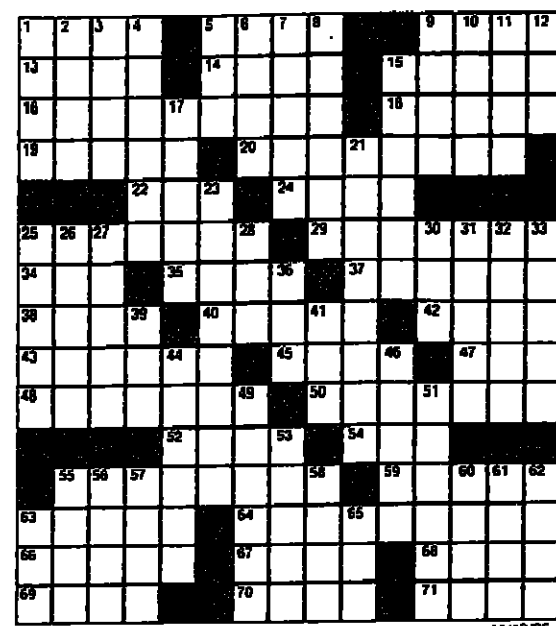
Table with 4 columns: 12 Month High/Low, Stock, Div. Yld., Sales in Millions, High/Low, 4 P.M. Chg. Lists various stocks like AIG, AIT, ALC, etc.

Table with 4 columns: 12 Month High/Low, Stock, Div. Yld., Sales in Millions, High/Low, 4 P.M. Chg. Lists various stocks like AIG, AIT, ALC, etc.

Table with 4 columns: 12 Month High/Low, Stock, Div. Yld., Sales in Millions, High/Low, 4 P.M. Chg. Lists various stocks like AIG, AIT, ALC, etc.

Table with 4 columns: 12 Month High/Low, Stock, Div. Yld., Sales in Millions, High/Low, 4 P.M. Chg. Lists various stocks like AIG, AIT, ALC, etc.

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks and the current week, but not the latest trading day. Sales in millions of dollars. Dividend yield in percent or more has been paid, the year's high/low range and the dividend rate. Dividends are annual disbursements based on the latest declaration. Dividends are annual disbursements based on the latest declaration. Dividends are annual disbursements based on the latest declaration.



ACROSS

- 1 Speaker's spot
2 Do the butterfly
3 Mottled
13 Arran resident
14 "Alice,"
15 Norway, to a native
16 Slingshots
18 Ted Lange on "The Love Boat"
19 Take a long look
20 Afoot
22 Gun the eng.
24 Provoke
25 Tool
26 Short oratorio
34 Springsteen's "Born in the..."
35 A foe of Peter Pan
37 Looked happy
38 Journalist
40 Five: Comb. form.
42 Malacca
43 Picnic meal, sometimes
45 A top W.V. admiral
47 Low digit
48 Capture
50 Winged maver
52 Comet-in-actor Flitz
54 Plastic or classic
55 Squeezing
59 "..." and a hard place
63 Promise
64 Rancher
66 Like a Duc
67 A Prot. religion
68 He opposes pros
69 Icelandic literary work
70 Knock down
71 Can
1 Montgomery resident
23 Blackmailers, issuers et al.
25 Malediction
26 Mongol, e.g.
27 Requirements for a certain party game
28 A time to bide
30 Langley Field
31 Crayona craftsman
32 Kind of sax
33 "..." of "..."
36 Duo in a nonet
39 Cape—Blas, Fla.
41 Obsession
44 Fenike
46 Pick a peck of
47 "..."
49 Inferred
51 Northern
53 Hanging
54 "..."
55 Cross
57 Miss Kett
58 Diet follower
60 Area in Atlanta
61 Broadway musical hit
62 Emulate Mme.
10 "..."
11 Mined oath
12 Holiday mo.
15 Council:
A.D. 325
17 Fledgling's sounds
1 Bronze medals: Abbr.
2 "Had Tibertus
Arnold
3 Jot
4 Belle and Barr
5 Udall
6 Adjective for Steve Martin
7 Bury
8 William Blake was one
9 Resembling Rodio Drive
10 "..."
11 Mined oath
12 Holiday mo.
15 Council: A.D. 325
17 Fledgling's sounds

© New York Times, edited by Eugene Malachuk

PEANUTS



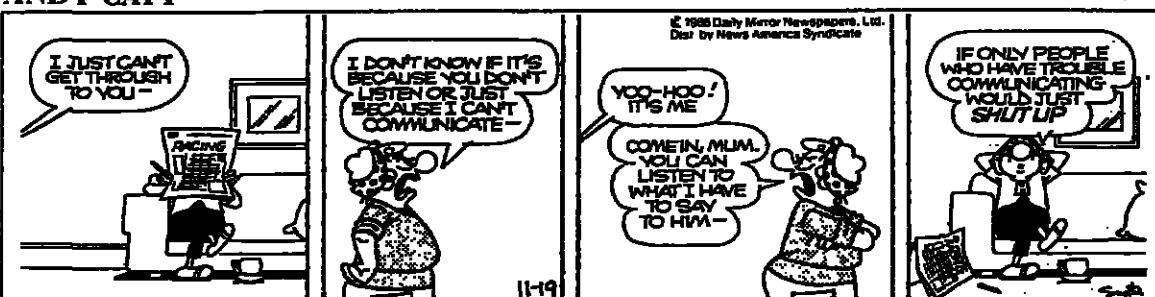
BLONDIE



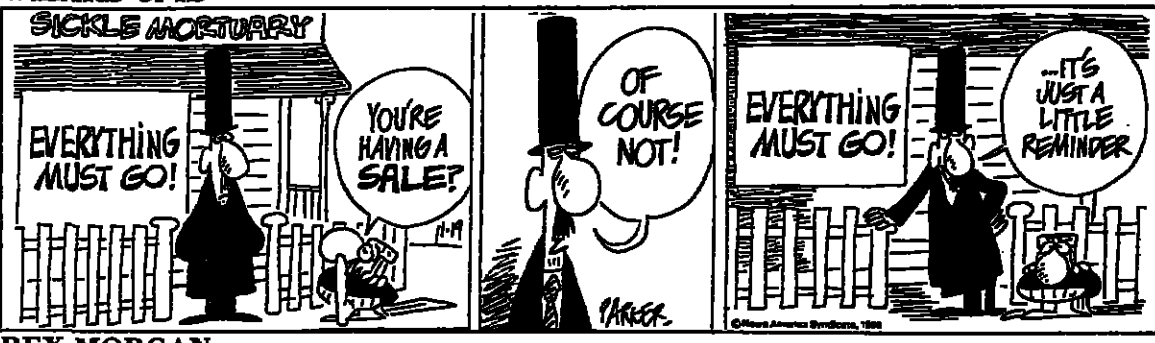
BEEBLE BAILEY



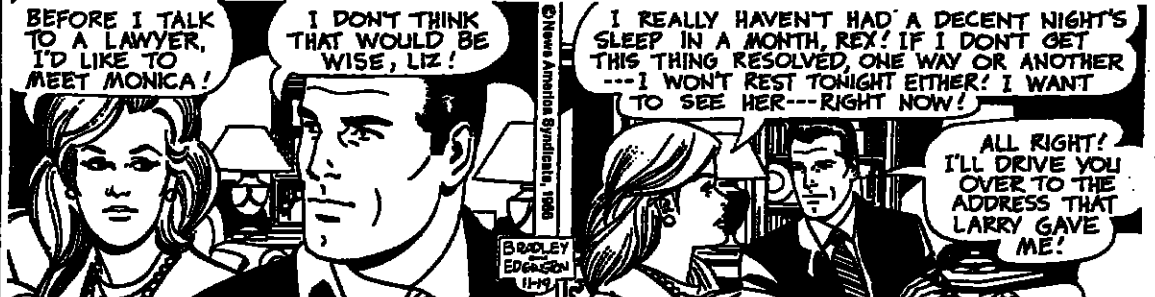
ANDY CAPP



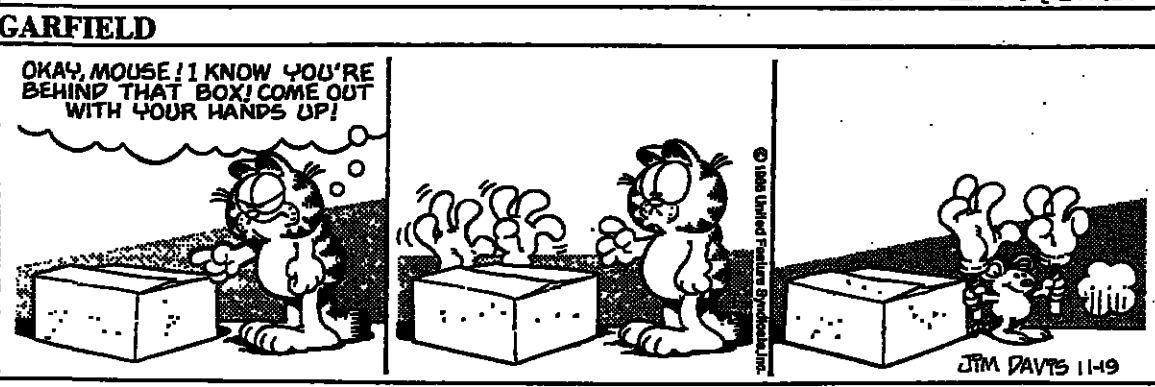
WIZARD OF ID



REX MORGAN



GARFIELD



DENNIS THE MENACE



"AM I SPOSED TO PUT BOTH SOCKS ON FIRST, OR A SOCK AN' A SHOE AND A SOCK AN' A SHOE?"

JUMBLE

Unscramble these four jumbles, one letter to each square, to form four ordinary words.
KRYJE
DYPIG
TULNAW
YENNI

WEATHER

Table with columns for EUROPE, ASIA, NORTH AMERICA, MIDDLE EAST, OCEANIA, and WEATHER. Includes high/low temperatures and conditions for various cities.

World Stock Markets

Table showing stock market data for various cities including Amsterdam, London, Hong Kong, Frankfurt, Zurich, and Tokyo. Includes closing prices and percentage changes.

BOOKS

A LOSS FOR WORDS: The Story of Deafness in a Family. By Lou Ann Walker. 208 pages. \$15.95. Harper & Row Publishers Inc., 10 East 53d Street, New York, N. Y. 10022.

Reviewed by Carol Eron. "I WAS an adult before I was a child," writes Lou Ann Walker in the oldest daughter of deaf parents in this delicate, carefully drawn memoir...

Without self-pity, Walker describes her role from an early age as family intermediary: speaking on the telephone for her parents and dealing with auto mechanics, banks, stores, teachers, insurance salesmen...

Inside the Walker home, however, life was gentle, loving and quiet. As babies, Lou Ann and her sisters were carried from room to room by their mother so she could keep an eye on them as she did her housework...

Solution to Previous Puzzle. A crossword puzzle grid with the solution words filled in.

BRIDGE

By Alan Truscott. THE diagrammed deal presented a small puzzle. Looking at all four hands, what contract would you choose to play as North-South?

BEST SELLERS

Table listing best-selling books in Fiction and Nonfiction categories, including titles like 'The Firm' and 'The Sandlot'.

TEXANS

Advertisement for Texas Instruments, featuring a calculator and promotional text.

Large advertisement on the right edge of the page, partially cut off, featuring the word 'America' and other text.

SPORTS

Pitcher Clemens Named American League MVP

NEW YORK — Roger Clemens, whose 24-4 record led the Boston Red Sox to the World Series, on Tuesday was named the American League's most valuable player, the first starting pitcher to win in 15 years.

Clemens, who earlier won the league's Cy Young Award, gained his first MVP award over 1985 winner Don Mattingly of the New York Yankees and Red Sox teammate Jim Rice.



Bernad Schuster: The talent is, of course, his to throw away.

Echoes of Egotism and the Denial of Sport

LONDON — If there ever was an age of soccer innocence, I missed it. If the sport could truly lead warring politicians to harmony, that too was before my time.

"A schizophrenic child," a Cologne knee specialist called him four years ago after Schuster insisted that he and only he would operate — and then Schuster limped back to Barcelona complaining that the medic's rehabilitative exercises had worsened the injury.

They were onto a money-spinner. River Plate, a little less destitute than most in South America, negotiated guarantees for the games en route to playing Steaua Bucharest for the World Cup Cup in Tokyo.



Joe Montana/The Associated Press

San Francisco's Joe Montana, fumbling after being sacked, above, by Todd Bowles (23) and Dexter Manley, had a big but frustrating game as the Redskins downed the 49ers, 14-6, Monday night in Washington.

SCOREBOARD

Table with columns for Hockey (NHL Leaders), Football (NFL Standings), and Basketball (National Basketball Association Leaders). Includes team names, scores, and statistics.

Table for College Top-20 Ratings, listing various college sports teams and their respective ratings.

Table for America's Cup, listing various sailing teams and their performance in different categories.

Texans Follow Foxhound's Song

By Peter Applebome New York Times Service CENTER, Texas — There was a time not long ago when Hinkel Schillings, Bearnt Partin, Johnny Lightfoot and all the other fox hunters around here found themselves contemplating a notion as baffling and unnatural as dominoes without spots.

more likely to be a mangy coyote than a crafty red or gray fox, and a punter is far more likely to catch pneumonia than a fox or wolf. (In the rare case when the dogs do tree their prey, the hunters just let the animal down for the chase to start again.)

like Charger Hellums of Tobacco, like North Carolina, and Fourche River Ramble of Parks, Arkansas. The fox hunter population has been getting older for many years, but changing times have provided a far more worrisome trend for them.

Table for Transition, listing various baseball teams and their performance.

Table for ESCORTS & GUIDES, listing various services and their contact information.

Table for ESCORTS & GUIDES, listing various services and their contact information.

Table for NHL Standings, listing various NHL teams and their performance.

Table for ESCORTS & GUIDES, listing various services and their contact information.

Table for ESCORTS & GUIDES, listing various services and their contact information.

David Olive (with horn, listening to hounds) and Hinkel Schillings.

Table for ESCORTS & GUIDES, listing various services and their contact information.

Table for ESCORTS & GUIDES, listing various services and their contact information.

Table for ESCORTS & GUIDES, listing various services and their contact information.

PEOPLE

Doctorow and Lopez Get American Book Awards

In an atmosphere charged with pride of authorship and a case of wounded pride, the 1986 American Book Awards went to El Doctorow for fiction and Barry Lopez for non-fiction. The prizes honored Doctorow's "World's Fair," a fictionalized memoir of growing up during the Depression, and Lopez's "Arctic Dreams," a weave of research, reportage and reflection about life in cold latitudes. But much of the talk Monday at the Waldorf-Astoria Hotel in New York, where the winners' plaques and \$10,000 cash awards were presented, concerned the man who was not, El Doctorow, whose "A Summoning to Memphis" was nominated for the fiction award, late last week denounced the awards, calling them "a disservice to the arts," adding that "in a sense all prizes are made to wound other people rather than help anybody."

Thieves broke into a room of the Frankfurter Hof hotel in Frankfurt and stole about \$50,000 worth of jewelry belonging to Wanda Tescanini Horowitz, wife of the pianist Vladimir Horowitz, the police said Tuesday. Mrs. Horowitz, 78, is the daughter of the late conductor Arturo Toscanini. Horowitz, 83, played in Frankfurt on Sunday.

Bette Midler, the actress, singer, author and comic, has given birth to a girl, her publicist said. The 8-pound 11-ounce (almost 4-kilogram) girl was born Friday at a Los Angeles-area hospital, and the Diva Miss M and daughter were in good condition, the spokeswoman said. Midler, 40, married Martin von Haselberg, a commodities trader, in December 1984. The baby is the couple's first.

OBSERVER

Not Brave Like Jimmy

By Russell Baker
NEW YORK — People are writing like this: "Everybody else has denounced President Reagan for his disgusting policy of swapping weapons for kidnapped Americans. Why are you silent?" I'd planned to denounce him today. I even composed the opening lines in my head: "In President Carter's time the Ayatollah Khomeini called the United States 'The Great Satan.' After dealing with President Reagan he will call it 'El Stupido.'"

Then — crisis. "No pancaakes," said the chief of the kidnappers, who for reasons known only to dreamwriters spoke like a 1932 movie Indian. "Pancaakes bad." He produced a bowl of foul life-prolonging fibrous cereal. "Fiber good. You eat-um."

plot had thickened. The president had left. In his place stood G. Gordon Liddy, the only member of the old Watergate gang who had been too tough to squeal. He handed me a bowl of foul life-prolonging fibrous cereal. "Eat it like a man," he said. "Then I can look forward to prolonged life!"

The president finished by saying his decision not to ransom me had been shaped by my column's declaration that national honor must never be sacrificed by paying ransom to thugs.

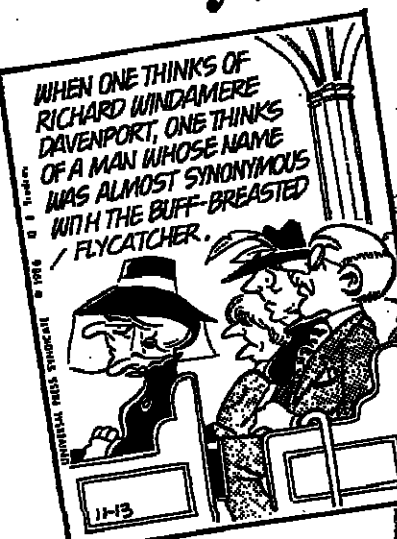
'Doonesbury,' Diary For a Generation

By Lloyd Grove
Washington Post Service

NEW YORK — Garry Trudeau is sitting in his studio in the West 80s giving an interview. Like J.D. Salinger, the creator of "Doonesbury" is famous for not doing them. He wouldn't even talk to Time magazine for a cover story in 1976. But times have changed, and Trudeau has a show to promote — "Rap Master Ronnie," a satirical revue of the Reagan era, written with composer Elizabeth Swados and playing in Washington through the end of this month.

It being a Friday, he has just delivered a week's worth of "Doonesbury" to be inked in by his assistant, inspected by his editor and sent to 890 newspapers. "Doonesbury" has always been a kind of Rorschach test for its readers. To the extent to which it is a diary for a certain generation, it becomes a way of mirroring both change in the culture and change in the individual who is reading the strip," he says.

"To be honest with you, I didn't expect that reaction from Sinatra," Trudeau says. "I expected it to be fully ignored." The Sinatra sequence was dropped by several newspapers.



Garry Trudeau: "Doonesbury" is "a kind of Rorschach test for its readers."



Trudeau, the only comic strip artist to win a Pulitzer Prize for editorial cartooning, sees himself as "a kind of anthropologist" who must try to understand, if not like, what he finds.

Bush's impending presidential candidacy, though clearly not with the same sort of enthusiasm as Bush's backers. "It's going to be incredible!" he says, licking his chops. "I had never seen, in my short lifetime, a politician do himself so much political damage over such a short period of time as Bush did in that four-week period prior to the 1984 election."

Trudeau, the only comic strip artist to win a Pulitzer Prize for editorial cartooning, sees himself as "a kind of anthropologist" who must try to understand, if not like, what he finds.

Trudeau, the only comic strip artist to win a Pulitzer Prize for editorial cartooning, sees himself as "a kind of anthropologist" who must try to understand, if not like, what he finds.

Trudeau, the only comic strip artist to win a Pulitzer Prize for editorial cartooning, sees himself as "a kind of anthropologist" who must try to understand, if not like, what he finds.

INTERNATIONAL CLASSIFIED BUSINESS MESSAGE CENTER

Advertisement for International Classified Business Message Center, featuring various business opportunities, financial services, and office services. Includes sections for Business Opportunities, Financial Investments, Office Services, and more.

Advertisement for Van Cleef & Arpels, featuring a special exhibition of jewelry and watches from Paris, running from November 18th to December 5th, 1986.